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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 TUESDAY 26 MAY, 2015

AT 2.07PM

Any person who publishes any part of this transcript in any way and to any person contrary to a Commission direction against publication commits an offence against section 112(2) of the Independent Commission Against Corruption Act 1988.

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

THE COMMISSIONER: Yes, Mr Naylor.

<DAVID JOHN SALMON, on former oath

[2.07PM]

MR NAYLOR: Mr Salmon, I was asking you some questions about some works done at a property at 33 York Street, Tahmoor just by way of – I had taken you – do you still have that property file in front of you, in particular
10 page 2646 which was the quotation that you did?---Yes, I do.

Right. For 21,660. All right. So go to volume 6 which are the documents that – a part of which you supplied to the Commission and in particular the extraction report of SMS's. Pardon me. Page 2901, entry 40. See that's an SMS message from you to Mr Bullock on 7 February, 2014 at 7.47am and in part in reads "York 1,160"?---Yes.

See that. And the reply that comes back from Mr Bullock a short time later, entry 39 – I'll just go back to entry 40. It says "York 1,170 and shops
20 1,270". And then the reply that comes back is "5,000 both trades and 1,000 both trades" and then it also says "concrete job 45,000 or above". What does that exchange of text messages mean?---The York one was referring to 33 York Street.

Yes?---Cost of the job 11,660.

Yes?---And the reply text message was to add \$5,000 to both trades or 5,000 and 5,000.

30 Right. Both trades is a reference to electrician and plumber?---That's right.

So it's a reference to the code that was used to essentially disguise an instruction that a fraudulent amount was to be added to the cost of that job?
---That's right.

A total of \$10,000?---Correct.

When you add that to 11,060 you get 21,660?---That's right.

40 That's consistent with the amount that was quoted, is it not?---Yes.

This exchange of text messages, sir, took place on 7 February so it postdates the quotation on 10 January which is the date of your quotation, that suggests that your quotation is backdated?---Correct.

Right. And you see there's the received stamp of 11 January, 2014?
---Yes.

That precedes the date on which the quotation was sent does it not?
---That's right.

And go then please to page 2642. This is your tax invoice for that job dated 10 February, 2013?---Yes.

So can I suggest to you 2013 is a typo, it should be 2014?---That's right.

10 Right. So it is created or it bears a date which is three days after the exchange of text messages?---Correct.

And the amount that, for which the invoice has been rendered is consistent with the quotation and includes the \$10,000 that you were directed to add on by Mr Bullock, correct?---That, that's right.

20 Go next please, sir, to the same volume, page 2255. Sir, this is an MSB file in relation to, pardon me, the Tahmoor town centre. It's a little bit complicated but there are several transactions involved. It concerns works at the Tahmoor town centre. Let's start, let's start at 2298. You see, there's an instruction from Mr Bullock to yourself, 10 January, 2014 to attend, or to supply your firm quotation and to attend to urgent repairs, the first of which involves angles in the front façade of Woolworths, the second concerns a plate on underside of a window and the third concerns a checker plate, you see that?---Yes.

Go to the preceding page, this would appear to be your quotation in relation to that job?---That's right.

30 So there's, part of the quotation is to manufacture and install a checker plate?---Yes.

Manufacture and install angles, right?---Yeah.

And you've, that's dated 12 January, 2014, a couple of days after the instruction and you've quoted an amount of 3,270 plus GST. Then go please, to page 2300. This is the next document in time. Another instruction to you from Mr Bullock, 21 January, 2014. Please supply a quote attend to broken tiles main entrance Woolworths. See that?---Yes.

40 Then, pardon me, sorry. Just missing a page reference, I'm sorry. Pardon me, Commissioner. Just while that document's being looked for, can I take you please, to volume 6, being in particular the extraction report that we were looking at before, page 2901. Go to the same exchange of text messages that I've just asked some questions about being number 40 and number 39, and the other part of number 40 which is the text message on 7 February, 2014 at 7.47 from you to Mr Bullock. "Shops 1,270," and then there's the reply. And what do those two, what does that exchange of text

messages, please, in relation to the shops component?---The text I sent was the final cost of that work.

Right?---The reply text was the amount to be added on to that price.

Right. And the particular part of the reply that relates to the shops is what?--Ah, 1,000 both trades.

10 Right. So, again, when it says both trades that's a reference to the code of the electrician and plumber and what that really means to say is that add on \$1,000 for Mr Bullock and \$1,000 for you, a total of \$2,000. That's right?--That's right.

And when one adds \$2,000 to the real cost which was 1,270, it's 3,270. That's right?---Correct.

Which accords, does it not, with the quotation that appears at page 2297 of the other bundle?---That's right.

20 Right. So that quotation includes the amount to be added on at the direction of Mr Bullock which was the fraudulent amount?---That's right.

And it's also the case is it not that the quotation was backdated?---Yes, that appears to be the case, yes.

Yes. Because the exchange of text messages was on 7 February?---That's right.

30 The quotation is dated 12 January and you couldn't have supplied the quotation without the information from Mr Bullock in the reply text message?---That's right.

Right. And when you go, sir, to page 2295 there's your invoice for the same works?---Correct.

10 February, 2013 it says. Can I suggest to you 2013 is a typo?---Yes.

40 It should be 2014. So once again the invoice has been submitted I think three days after the exchange of text messages. It, it is for the quoted amount which includes the \$2,000 added on at Mr Bullock's direction. That's right isn't it?---That's right.

All right. Thank you. Now, I've taken you to the instruction in relation to the broken tiles. I'll just take you back to that. That's at 2300. Have you got that? That's Mr Bullock's instruction of 21 January?---That's right.

And let's go then to the text messages again in the other volume. See there's a text message number 35, 20 March, 2014?---Yes.

From you to Mr Bullock at 11.21am – I'm sorry, 11.31am, "Woolies tiles metal etc. 1,560 plus"?---Yes.

And we should look at the text message below it as well which was sent some ten minutes before, entry 36, "butcher and Woolies filler 2,520 plus"? ---Yes.

See that?---Yes.

10

And then at 11.35 you get a text message from Mr Bullock, 20 March, 2014, "1,500 each trade". What does that exchange of text messages mean?

---They refer to the previous text messages that I sent with the amounts to be added on - - -

Right?--- - - - to the invoice.

Pardon me, sir. So let's just make that clear. There's an amount to be added on then to the Woolies tile job. 1,560 is the real value of the job?---

20

Correct.

And the amount to be added on is – are you referring then to the 1,000 or the 500 component do you now of the - - -?---Have to check, you have to check the invoice - - -

Right?--- - - - to see which one it is.

I see. And so whichever one it is, by reference to the documents, the other one is a reference to the amount to be added onto the butcher and Woolies filler job?---That's right.

30

Right. Okay. Volume 6, sir, this is a document that you supplied to ICAC, page 2864 please. This, sir, appears to be a copy of an email sent by Mr Bullock to you which you've printed out dated 6 February, 2014 and you've kept it with your papers at home, yes?---Yes.

And it refers to a person who has requested MSB fill void at front of Woolies and inside Beno's Family Butchers, so this is the request for you to do a job in relation to filling a void near the front of Woolies?---That's right.

40

Okay. And down the bottom of the page there's some handwriting, you see that?---Yes.

And do you know what that handwriting means?---Calculations.

Right. So the, the tiles and the, tiles and filler you've added up to be 2,100, you've added an amount for profit, the value of the job is 2520, is that right? ---Correct.

That's the real value of the job?---It is.

So when you go back to the text messages, item 36, butcher and Woolies filler, this is the text message from you to Mr Bullock, 2520, that's the cost of the job?---That's right.

In relation to – the job that you've been asked to do through that email that I've just shown you, right?---Yes.

10

Now go please to the other volume, page 2292. I'm sorry, the wrong page, 2293, this is the tax invoice that you've submitted to the MSB dated, it says 20 March, 2013, can I suggest again that 2013 is a mistake, it should be 2014?---That's right.

All right. And there's the amount of 4,520 and let's just go back to the email again at 2864. You see what it says in the handwriting is 2520 plus 2K, you see that?---Yes.

20 4520 plus GST?---Yes.

What does the 2K mean?---That's the amount to inflate the invoice by.

Right. So if we look again at the text messages 2,520 plus 2K is 4,520 and if we look at the message from Mr Bullock to you at 11.35 on 20 March, 1,500 each trade, the, the 1,000 reference must relate to the butcher and Woolies filler job mustn't it?---That's right.

30 Right. And that suggests, sir, that the 500 relates to the Woolies tiles job?
---That's right.

Which would suggest that an extra \$1,000 has been added on top of 1,560?
---Correct.

So go to the tax invoice at 2292. And this is a tax invoice for a job at Woolworths involving renewing cracked floor tiles and the date again appears to be, have the mistake, the same mistake in it that is it should be 2014 rather than 2013. That's right, isn't it?---Correct.

40 And the amount that you've billed for excluding GST is 2,560. That includes the \$1,000 that you were directed to add by Mr Bullock described in his text message as being 500 each trade. That's right, isn't it?---That's right.

And that amount of course, didn't represent in any way the true value of the works for that job, that was the amount to be added as part of the arrangement that you were involved in with Mr Bullock to defraud the MSB. That's right, isn't it?---Correct.

All right. Staying with the same volume, go to page 2217 and this is the front cover of an MSB file for a property situated at 10B Abelia Street, Tahmoor. Now, go please, to page 2230. This document shows that you received an instruction from Mr Bullock to supply a quotation and to attend, it says to the following mining related repairs. I think perhaps that should be minor related repairs, mining impacts, mining impact related repairs, sorry. And then it specifies various repairs to be done. Go over the page, it's dated 4 August, 2014. And then go back to the exchange of text
10 messages in the other volume, please. This time page 2900. The entry
number 9. Message from you to Mr Bullock, 30 September, 2014, 11.51am
and it reads 10B 3240. See that?---Yes.

Then the reply that comes back a short time later at 12.22pm from Mr Bullock, "Elect 1,000 plumber 1,000." What does that exchange of text messages mean?---Ah, that's, that's the amount to be added on to our final cost for that job.

Right. So you meant, you've been directed by Mr Bullock to add on \$2,000
20 to the cost of that job?---That's right.

And that \$2,000 to be added was part of this same fraudulent arrangement that you had with Mr Bullock to defraud the MSB?---That's right?

A \$1,000 for him a \$1,000 for you?---Correct.

Right. So if you go then back to the property file at page 2223 then what we see there is an invoice 30 September, 2014, same date as the exchange of texts messages. The amount that you've invoiced for 5,270 that's 3,240
30 plus 2,000 plus a little bit extra, \$30. That's right, isn't it?---That's right.

All right. So the 5,270 incorporates does it not the additional amount that you were directed to add by Mr Bullock?---Yes.

Right. And still have volume 6 there, sir. Go to page 2676. This is a copy of the instruction that you received from Mr Bullock in relation to this job that you kept and stored at home and subsequently produced to ICAC?
---Yes.

40 Yes. And there's some handwriting on that you see?---Yes.

You see 3,240 seems to be written there?---Yes.

And beneath that 2,000?---That's right.

And that 2,000 is a reference to the amount that you were directed by Mr Bullock to add on?---That's right.

Right. If you can return that volume 5 to the Commissioner's associate and be provided with volume 4 please. Page 1633, property file in a relation to a property at 3B Connor Place, Tahmoor. Then go please to page 1643. See that's a scope of works prepared by Mr Bullock. This is page 1646 dated 21 July, 2014?---Yes.

And go please to volume 6, sir, page 2865. That's the same scope of works but that's the copy that you received from the MSB and you kept and stored with your records and subsequently produced to ICAC?---That's right.

10

And it has some handwriting on it and you see down the bottom right-hand corner there's some handwriting?---Yes.

And 3,670 plus GST?---Yeah.

Beneath that 4,000?---Yes.

7,670 plus GST?---That's right.

20 What does all that mean?---The 3,670 was the correct amount of the work.

Yeah?---And the 4,000 relates to what was directed to be added on.

By Mr Bullock?---That's right.

All right. The same volume, go to the call, sorry, the SMS records. Page 2900, entry number 7, 30 September, 2014, 1.45pm. Message from you to Mr Bullock, "Other 3,670 plus." You get a reply that same afternoon from Mr Bullock, "Two plus two."?---Yes.

30

Does this exchange of text messages relate to the same job?---It does.

The two plus two is the 4,000 that you've just referred to?---Correct.

Right. So in relation to this job, \$4,000 has been added at the direction of Mr Bullock or he's directed you to add that to the invoice to be sent and the intention was that you and he would share that in equal proportions, yes? ---That's right, yes.

40 And this was all part of the same arrangement to defraud the MSB?---That's right.

Right. Go please to the other volume, the property file at 1639 and there's your invoice dated 30 September, 2014, the same date as the exchange of text messages?---Yes.

And you've invoiced for the amount of 7,670 which is the amount of 3,670 plus the \$4,000 add on, that's right isn't it?---That's right.

Yeah. And if you look at the preceding page, 1638, that appears to be Mr Bullock's authorisation to pay your invoice?---Yes.

Okay. You can return please, that property file to the Commissioner's associate. All right. At this point, Commissioner, could I tender please an MSB property file for 47 Abelia Street, Tahmoor.

10 THE COMMISSIONER: Yes, that's - - -

MR NAYLOR: If - - -

THE COMMISSIONER: Yes.

MR NAYLOR: I was just going to explain, Commissioner, it was the subject of questions during the first sittings, it wasn't tendered at that time, it relates obviously to that as well as questions I'm about to ask this witness.

20 THE COMMISSIONER: Yes, Exhibit T57.

#EXHIBIT T57 – BUNDLE RELATING TO PROPERTY OF 47 ABELIA STREET TAHMOOR

MR NAYLOR: Sir, could you be provided with that exhibit, T57 and turn please to page 153. This is a scope of works prepared by Mr Bullock, 13 October, 2014, you'll see that at 157, see that?---Ah, yes.

30 Then go back to page 138. This is a letter that you received from Mr Bullock inviting you to tender in relation to this job, yes?---Yes.

And you'll see, sir, that if you go over to page 139 and 140 it would appear that similar letters were sent to other prospective tenderers being Plantac Pty Limited and M Bruton Building Company, you see that?---Yes.

40 I'll just go back a few pages, if you wouldn't mind to page 132. And that would appear to be the tender that you submit or you submitted rather in relation to this particular job?---Yes.

You've completed a tender form, quoted \$56,100 and that's your signature, that's, you filled this form in?---Yes.

Yeah. And it's dated 20 October, 2014?---Yes.

And just turn over the page, you see that Plantac has submitted a tender as well?---Yes.

That's dated 18 October, 2014. See that?---Yes.

If you go over the page there's another tender form of the third prospective tenderer. It would appear to be from, it's written on the page as M Burton and Company although the letter was sent to M Bruton and Company and it bears a date 17 October, 2014. And you see from all of these documents there's a tender opening date on the bottom, 21 October, 2014?---Yes.

10 And if one goes to page 95, I don't suggest this is a document that you're familiar with, but I draw this to your attention. On that page, towards the bottom of the page under the subheading tender, there's a reference to closing date, 21 October, 2014. See that?---Yes.

And you'd be aware from the work that you've done with the MSB about the importance of getting tenders in on time. That's right, isn't it?---Yes.

Otherwise you miss out on the chance?---Correct.

20 Yeah. And, pardon me. All right. Sir, I want to play you a recording. Pardon me, Commissioner. Hopefully, Commissioner, there won't be any gremlins in the system.

THE COMMISSIONER: Right.

MR NAYLOR: But listen carefully, Mr Salmon.

AUDIO RECORDING PLAYED

[2.50pm]

30

MR NAYLOR: That's all thanks. Sir, that's a recording of a telephone conversation. It was recorded on 19 October, 2014 at 11.00pm. Do you recognise the voices?---Yes, I do.

Are they yourself and Mr Bullock?---That's right.

Right. And there's reference there to a tender?---Yes.

40

Inviting you to put in a tender by Mr Bullock?---That's right.

And is that the tender that I've just been asking you some questions about?---Correct.

All right. This is the job at – pardon me – 47 Abelia Street, Tahmoor?---Yes. That's right.

All right. So this conversation takes place on 19 October and let's go back to your tender document at 132 of the property file. The following day you submit this tender?---Yes.

So the day after the telephone call that you've – telephone conversation that has just been played to you, you submitted this tender?---That's right.

10 All right. I'll just – towards the end of the call, I'm not sure if the transcript is available. Go to the second page, last part of the second page. Do you see - - -

MR ROFF: Commissioner, can I just mention something in relation to that transcript. It seems that what's on the screen now is just Mr Salmon.

MR NAYLOR: Yes. I'm, I'm - - -

THE COMMISSIONER: Yes, that's – yes.

20 MR NAYLOR: I'm just coming to that.

THE COMMISSIONER: That's clearly an error, yes.

MR NAYLOR: That's the portion of the transcript I want to come to, Commissioner. The second last reference to Salmon - - -

THE COMMISSIONER: Should be Bullock.

MR NAYLOR: - - - should be Bullock.

30 THE COMMISSIONER: Yeah.

MR NAYLOR: You see that. The conversation which is attributed to that speaker is “but I mean there's got to be justified varies there”. See that? ---Yes.

That's Mr Bullock speaking isn't it?---That's right.

40 Right. And what he says is “I know the pipes are full or Eurotech or that so there'll be a bit of farting around”. That's his attempt to invite you to tender because you'll be able to put in variations to deal with the Eurotech later on?---That's his attempt, yes.

That's, that's, that's what he's trying to say to you?---Yes.

And let's just go back if we may to the scope of works which is at 153. I'm not a builder, sir, but this scope of works invites, invites work, a range of works to be done, external work and internal work?---Yes.

And I can't see a reference to Uretek but I would have thought if you were a builder and you were asked to do certain work you'd want to know the ambit of the work that needed to be done, that's right, otherwise you can't put in a proper tender?---Yes.

Right. So if – is it not reasonable to think that from your perspective as a builder if the person giving you the scope of works knew that there was Uretek in the building which would have created additional expense for you, that that would be in the scope of works?---Not necessarily.

10

Right?---It's impossible to judge what amount of work there would be as a result of that Uretek.

Right. But it's being suggested it seems by Mr Bullock?---It was suggested at the site meeting as well - - -

Right?--- - - - that there would be work in that area.

Yes?---Yeah, but you, you couldn't quantify it.

20

Right?---It's impossible.

Okay. So you're saying that if Uretek was mentioned in the scope of works it wouldn't make any difference?---No.

Right. I see. And let's just look at the earlier part of the conversation when Mr Bullock says, I was going to, I think there's another typographical error here, Commissioner, so go back to the first page, the second, the second part of what Mr Bullock says, "Ah, nothing much," see that?---Yes.

30

We can have this replayed if necessary, I think what the second, what the sentence said, the next sentence was, "Um, I was going to say that the tender that you're putting in," not put, "that I'd come in super keen on that if I was you."?---Yes.

And then he says, "Only if you want to beat Kevin." What, what's all that about? What's the – why, why did he phone you and have this conversation with you?---My take on it was that he wanted me to beat Kevin because Kevin had been super cheap on previous jobs.

40

Right?---There was a job previous where he was, oh, that much lower than one of the tenderers, myself and another person - - -

Yes?--- - - - that it was just stupid and I thought, I thought that he wanted me to beat Kevin so that it wouldn't look too bad, too bad from previous jobs.

Sorry, I don't quite understand that, look too bad from previous jobs?

---He'd won a number of jobs by a large amount which must have looked stupid.

I see?---Yeah.

10 All right. Now if you can go to volume 6 please. These are documents that you supplied to ICAC, page 2870. See this is the copy of the scope of works that you were given in relation to this job at 47 Abelia Street that you kept, you stored at home and subsequently produced to ICAC, that's right isn't it?---That's right.

And it goes for several pages. It would appear in fact, to be the full kit. So you've got the scope of works, you've got conditions of contract, you've got safety rules, you've got tender forms and then go to page 2892. There is some handwriting. See that?---Yes.

15,000 plus 15,000?---Correct.

20 Whose handwriting is that?---That's my handwriting.

Right. What does it mean?---Ah, at the tender meeting both the tenders were directed to add that amount to the tender, um, submission.

Right. Both tenderers being?---Myself.

Yes?---And Plantac.

Right. Well was there anyone else at the meeting?---No.

30 So you were there?---Yes.

Mr Inskip was there for Plantac?---Yes.

And Mr Bullock was there?---That's right.

Just the three of you?---Yes.

Right. And you were both directed - - -?---Correct.

40 - - - to add fifteen plus fifteen to your quotes?---We were both in the vicinity when Mr Bullock requested that to be added.

Right. So that's, that was intended of course, as fifteen for Mr Bullock and fifteen for yourself?---That's right.

Right. A total of \$30,000?---Correct.

Go back to the property file, please, page 131. See that's Mr Bullock's minute in relation to the tenders that he says and this minute were received, there's yours, there's Plantac and there's one for M Bruton Building Company. Was there anyone at the tender meeting for M Bruton Building Company?---No.

10 Right. And he's recommended that your quote be accepted and that appears to have been approved by the CEO of the MSB. So do I understand your evidence to mean that the 56,100 that you quoted included the fifteen plus fifteen?---That's right.

Right. So the true value of the works was \$26,100 from your perspective including a margin for profit?---I don't think I allowed a profit margin on that one.

Ah, right?---It was very cheap.

20 I see. You've been so persuaded had you, by Mr Bullock in the conversation, the telephone conversation the previous day to - - -?---That's right.

- - - come in tight?---Correct.

30 Right. All right. So page 128, Mr Bullock's letter to you advising that you had been successful with your tender and there's also correspondence there to Plantac and then Bruton telling them they'd be unsuccessful. Page 100, you render a tax invoice dated 9 November, 2014 and it appears to be received the following day. You've asked for a progress payment of 50 per cent of the 56,100 being 28,050. See that?---Yes.

The same day, go to the previous page, page 99. It would appear that Mr Bullock has authorised payment of that invoice?---Yes.

And I can indicate to you that there don't appear to be any other relevant documents on the file, in particular the subsequent invoice, if there was one, doesn't appear on the file. So that invoice certainly included half of the \$30,000. It included \$15,000?---Yeah.

40 Yes. All right. Do you remember making any payments in cash to Mr Bullock in relation to this job?---Yes.

How much did you pay Mr Bullock?---In total?

Yes?---\$10,500.

Right. And when did you pay him that money?---Um, I don't know the exact dates but there was an amount paid before Christmas and another amount paid um, sometime in the new year.

That's this year?---That's right.

All right. And what were the circumstances in which the payment was made, did you meet somewhere and gave him cash in an envelope or how did it happen?---Yes, it was cash in an envelope.

Yes?---Um, there was a coffee shop in Sutherland and the exchange – well, the handover of the cash was there.

10

That was one of the payments - - -?---That's right.

- - - or both of the payments?---One of the payments.

The first payment or the second payment?---The second one.

Right. Do you remember how much?---3,000.

20

3,000. So the first payment was 7,500?---That's right.

Do you have a memory as to how that money was paid to Mr Bullock?---In cash.

Right?---Yes.

Do you remember where you met and - - -?---Um, yeah, I didn't actually meet him.

30

Yes?---It was dropped off at his mother's house.

Where's his mother's house, just the suburb?---Oh, Miranda.

Miranda?---Yes.

All right. And the cash that you gave him came from the store of cash that you kept at home?---That's right.

40

All right. You're aware that Mr Bullock resigned from the MSB in – late last year?---Yes.

November in fact?---Wasn't he on leave?

Or December, I'm sorry?---I'm not sure. He was on leave I was told until mid-January.

Okay. All right. Am I right, sir, in thinking that the second payment was made after Mr Bullock had resigned - - -?---Yes, it was.

- - - to the best of your knowledge?---Yeah, it was, yeah.

Why did you pay Mr Bullock any money after he'd resigned from the MSB?---He asked me a number of times.

He asked you a number of times?---Yes.

And you felt obliged in some way to pay him the money - - -?---Well, I - - -

10 - - - merely because he was a bit persistent?---Well, yes. And um, if I didn't pay the money I was um, afraid of any revenge.

Revenge?---At a later date.

You were concerned for your safety?---Somewhat.

By paying him the money did that ease that concern?---It did.

20 Right. Do you still hold that concern at all?---Yes.

I'm going to play you some more recordings. Pardon me. Pardon me, Commissioner, we're having problems with the system. Excuse me.

AUDIO RECORDING PLAYED

[3.11pm]

30 MR NAYLOR: All right, just pausing there, Mr Salmon that is an extract of part of the same telephone conversation that occurred, part of the same conversation part of which I've played you previously this afternoon, yes?
---(No Audible Reply)

It occurred on 19 October, 2014, it commenced at – the conversation commenced at 12.11pm and the extract that I've just played to you commenced at 12.13pm and let's just go to the top of the page of the transcript. You see Mr Bullock, just pausing there, you recognise the voices do you not?---Yeah, yes.

40 That's yourself and Mr Bullock?---That's right.

And Mr Bullock says, "You haven't got those tools I lent you have you?" "Yeah, yeah." You reply, "Yeah, I can get that, that's all right. No problem." Bullock, "Yeah." You say, "I haven't got anything to come down there for but if you want to meet me somewhere or", what's all this about?---It, it appears to be organising for money to be handed over.

Right. So the reference to tools, is that a coded reference to money is it?
---It is, yes.

Right. And you're making an arrangement to meet so that cash can be handed over by yourself to Mr Bullock?---Quite possibly, yes.

Right. Okay. Can we play the next extract please, extract number 3.

AUDIO RECORDING PLAYED

[3.15pm]

10

MR NAYLOR: All right. Thank you. Sir, that's another intercepted telecommunication. It's the same – part of the same conversation as – extracts of which I've already played you. The conversation took place on 19 October, 2004 and this particular short extract that I've played you commenced at 12.15pm. You recognise again the voices?---Yes.

Being yourself and Mr Bullock?---That's right.

20 And where Mr Bullock says "But if you remember, if you've gone out somewhere and just um, take that saw with you and we'll pick it up". You answer "Yeah. No, that's fine, that's a good idea". What does that mean? ---Well, it appears to be the same thing.

The saw is a reference to money?---Well, it appears to be, yes.

Right. So you're talking about an arrangement for cash?---Yeah.

30 - - - to be handed over to Mr Bullock?---There was an occasion where I did have a tool that I had to give back to Darren or vice versa but, yes - - -

All right?--- - - - this appears to be that.

This appears to be?---The cash, yes.

The cash?---Yeah.

Okay. All right. All right. I want to play you two more if I may. Pardon me, Commissioner.

40

AUDIO RECORDING PLAYED

[3.18pm]

MR NAYLOR: All right. So that's another intercepted telephone conversation. This conversation took place the following day, 20 October, 2014, so the day after the other conversations that I've just played to you. And it commenced at 8.52am. You recognise the voices?---Yes.

Being?---Myself and Darren Bullock.

All right. And the conversation appears to be talking about making, discussions about making an arrangement to meet. That's right?---That's right.

All right. Do you know what the purpose of meeting was?---I couldn't say for sure.

10 All right. Could the purpose of meeting have been for you to hand cash over to Mr Bullock?---It is possible.

Right. I'll play you the next conversation too.

AUDIO RECORDING PLAYED

[3.21pm]

20 MR NAYLOR: Sir, that's another intercepted telephone conversation. It takes place approximately 18 minutes after the conversation that I've just played to you. So it takes place on 20 October, 2014. The previous conversation, same date, commenced at 8.53am and this conversation commenced at 9.11am. Now do you have a memory, sitting here today, of talking to Mr Bullock on the phone and it would appear making an arrangement to meet him on that day, 20 October, 2014?---Well, yes.

Right. Well what was the purpose of the meeting?---Well, it sounds like it was to hand over cash.

30 Right. And do you remember where the meeting took place?---Well, in that car park, I guess.

Yeah. I'm just trying to understand - - -?---Yeah.

- - - where that car park is?---What do you, what do you mean?

Well, it refers to a car park and it's, I'm just not sure exactly which car park?---Ah, sorry. There's a, um, a, um, shopping centre - - -

40 Yes?--- - - - in Engadine and it has a, a Medicare - - -

It has?---Medicare.

Medicare?---IGA.

Yes?---Shopping centre.

Yes?---There's a drive in car park underneath.

Right?---Yes.

Okay. And where you've said, this is the second thing that you say in this conversation, "Ah, that's all right. I've just been home. I've, um, pick up what I had to pick up and I'm heading there now." What, what's that a reference to?---Well, it sounds like I've gone home to pick up some cash but
- - -

Right?---Yeah.

10

Okay. All right. Commissioner I tender the recordings of all of the telephone conversations that have been played to Mr Salmon together with the transcripts in the usual of course, copies of the transcripts can't be provided to the parties but the exhibits will become available.

THE COMMISSIONER: Yes, those intercepts and transcripts will be Exhibit T58.

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#EXHIBIT T58 – AUDIO AND ACCOMPANYING TRANSCRIPT OF INTERCEPTED TELECOMMUNICATION 19 OCTOBER 2014 AND 20 OCTOBER 2014

MR NAYLOR: If the Commission pleases.

30

Let's just go back to the 47 Abelia Street job, Mr Salmon. I've taken you to the property file and indicated to you that although of course the file shows one of the invoices for one progress payment, 50 per cent of the quoted price, there wasn't an invoice, at least it would appear that there's not an invoice on the file. Do you have a memory now as to whether or not you did invoice for the second part of that job?---Yeah.

You did?---Excuse me, yes.

Okay. And do you know if you've kept a copy of that invoice?---I would have, yes.

40

All right. And you were paid for that job in full?---Correct.

All right. Your evidence is that you paid Mr Bullock \$10,500 in two payments, notionally it was \$15,000 that was going to go to him. Did you pay to him the balance, that is the \$4,500?---No.

Right. And is there a reason for that?---It's called ICAC.

Okay. I just want to take you back to the exchanges of text messages. You can hand back to the Commissioner's associate the property file for

47 Abelia Street. Keep with you volume 6 and turn please to the extraction report with the text messages. Go to page 2904. Go to entry 125, text message from you to Mr Bullock 3 July, 2012, 8.13am. It reads, "Down driving to Abelia with (name omitted) on L's. Have tools in boot. ETA 9.30 if you're around." What's, what is meant by the words "have tools in boot"?---Yeah, this one um, I'm not sure of because I had my son on his L's in my daughter's little Mazda - - -

10 Yes?--- - - - and I was carrying a um, Kango hammer to the job for my guys to use, I'm unsure.

Right. Okay. The car part that you've just given some evidence about where you met Mr Bullock, had you met Mr Bullock at that, at that place previously for the purpose of handing over cash?---I'm unsure actually.

All right. Well, you've given some evidence this afternoon of handing over cash at a coffee shop at that particular car park?---Yes.

20 Do you remember other venues where you handed over cash to Mr Bullock?
---Apart from job sites um, Tahmoor shopping centre would be another venue.

Right?---Yeah.

Is there a car park there, is that where it would have happened or - - -?
---There is, yes.

30 Right. Just while we're on the issue of meetings look at entry 89 in the SMS exchanges, page 2903. This is an SMS from you to Mr Bullock, 21 January, 2013, 1.07pm. "I have to take", and there are mentions of two names there, "to orthodontist this arvo, will pick one of the people up from work at Caringbah around 3.45, then we'll travel to Menai. We can still meet up!!!" Do you know what the purpose of that meeting invitation was?
---I can't recall.

All right. Could it have been to hand over cash to Mr Bullock?---Quite possibly.

40 All right. Go to the previous page please, page 2902 and look at the entries for 82 through to 78. So you send the first message to Mr Bullock at - on 4 June, 2013, 7.54am, "Darren don't forget original receipt for the Karcher." Reply by Mr Bullock, "All good. Leaving now." You say, "Are you going into work first?" He replies, "No." You say, "You're coming this way. We should meet in a café somewhere." When you refer in the last part of that "we should meet in a café somewhere", do you know what the purpose of that meeting was?---Yeah, that was to hand over the receipt for that, that Karcher which is a, a floor cleaner.

Right. Was it also for the purpose of handing over cash to Mr Bullock?---I can't recall, sorry.

It's possible?---It is possible but I can't recall.

Okay. Go to page 2900 and there's another exchange of text messages starting with entry 14 and going through to entry 10. You send a message to Mr Bullock 29 August, 2014 at 7.38am, "I'll be in Tahmoor after 8.00 this morning." His reply, "Drop in." You say, "On the way. Will park under Coles." He says, "Okay." You say, "Parked." So you're going to park – you've parked at Coles for the purpose of meeting with Mr Bullock. That's right?---Yes.

And what was, what was the purpose of that meeting do you recall?---Look, I can't recall exactly on that date but it is possible it was for the payment of cash.

Okay. Let's go back to the last page of the SMS's, page 2904. You see near the bottom there's an exchange of text messages 142 and 141. You send a message to Mr Bullock on 18 September, 2011, "All okay for 9.00am tomorrow. It's apartment 36." And you get a reply back the same day from Mr Bullock, "Thanks Dave. We have all enjoyed our stay at Sanctuary." Do you know what that's all about?---Well, apartment 36 is a property that we own in Far North Queensland.

Yes?---But it's not Sanctuary.

Right?---Um, now, it may be a typing error but it's definitely not Sanctuary.

Do you know what is being referred to when Sanctuary is mentioned? ---Well, it must be – apartment 36 is a place called Oasis. It's an investment property that we have.

Yes?---Um, and in 2011 it was holiday let so I'm assuming that um, Darren stayed there.

Right?---At that time.

I see?---But they didn't stay at Sanctuary I can guarantee you that.

All right. Well, accepting that they stayed at apartment 36 Oasis - - -?---Yes.

- - - do you know who bore the cost of that stay?---Um, there would have been a payment made direct to the manager on site.

By whom?---By Mr Bullock.

Right. Well, what – was that for the cost of his accommodation or for something else?---No, he would have paid um, the cost of his accommodation, or the ancillary costs I should say.

What do you mean by that?---Um, cleaning, linen, transfers um, telephone calls, any um, trips he may have made or car hire or anything like that.

Not the cost of his accommodation?---Ah, probably not, no.

10 All right. So essentially he got free accommodation from you?---Oh, essentially yes but I didn't incur any costs for him to be there.

Because it's your property?---That's right.

20 Understood. Go please to the top of page 2904. Entry 121, text message from you to Mr Bullock, "Darren all booked for 25th, dotcom confirms your reservation number, enjoy your stay at Hotel Novotel Lake Crackenback Resort and Spa, what's all that about?---That's a um, a um, a two-night stay at the Novotel Lake Crackenback Resort and that's confirming the booking um, text message to Darren.

Two night stay for whom?---Ah, Mr Bullock and myself.

Yes. And did Mr Bullock pay or make a contribution towards that accommodation?---Um, I would have paid the accommodation but Mr Bullock would have paid for the ski lift tickets and other costs.

Right. Okay. Just going back to the apartment 36 Oasis one?---Yeah.

30 Where was, do you know - Mr Bullock stayed, do you know if he stayed with anyone else?---Oh, I can't recall. I assume it was his family or his kids or his wife.

I see?---Without checking I don't know.

Were, were his, was he accompanied by his family in relation to the stay at the Novotel Lake Crackenback?---No.

40 I see. Can I just take you back to volume 6. Pardon me. Pardon me, Commissioner. I might ask, sir, for you to be handed back the 47 Abelia Street file which is Exhibit T57 I think. Go please to the tender forms at, so they start at page 132. That's your tender form?---Yes, it is.

Then, what would appear to be Plantac's tender form. Then there's that other tender form?---Yes.

Prior to any contact that you had with ICAC had you seen this tender form before, the one at page 136?---No.

Do you recognise the writing in it?---No.

The handwriting?---No.

Commissioner, at this point I will tender a statement by Michael Kenneth Bruton dated 13 May, 2015 at pages, it's already tendered, is it part of it? No, I see, sorry. I tender that statement, Commissioner.

10

THE COMMISSIONER: Yes. The statement of Michael Bruton be Exhibit T59.

#EXHIBIT T59 - STATEMENT OF MICHAEL KENNETH BRUTON DATED 13 MAY 2015

MR NAYLOR: Thank you. And I can indicate, Commissioner, I don't intend to call Mr Bruton, I proposed to rely upon his statement. But of course, any of the parties have a particular need and can demonstrate the need for him to be called then they should - - -

20

THE COMMISSIONER: Thank you.

MR NAYLOR: - - - can liaise with the Commission. Commissioner, that concludes the questions I have of Mr Salmon.

30

THE COMMISSIONER: Thank you. Does anyone have any questions for Mr Salmon? Yes, Ms Hogan-Doran.

MS HOGAN-DORAN: Thank you, Commissioner. Mr Salmon, my name is Hogan-Doran and I appear for the Mine Subsidence Board. I just have some short questions for you, it shouldn't be too long. You gave some evidence yesterday at transcript C632 and also today about on site tender meetings that you attended with Mr Bullock. Were there any other MSB officers present during any of the conversations between you and Mr Bullock in which he directed or instructed or requested you to add an amount of money to the tender?---I can't recall any.

40

Right. You were asked some questions yesterday at transcript 633 and again today about the practice of sending in, sorry, the practice of preparing backdated quotes after the work had already been done. Do you remember that evidence?---Yes.

How did you provided those quotes, those backdated quotes and invoices to the Mine Subsidence Board? Were they provided in person or did you send them by fax?---No. Um, usually by email.

And to whom were they emailed?---Darren Bullock.

All right. Do you have any recollection of ever providing those backdated quotes and invoices to any other member of the MSB either by email or in person?---No.

10 You gave some evidence yesterday about cover quotes at transcript 641 and again today. You gave some evidence concerning the practice of preparing cover quotes at the direction of Mr Bullock and as I understood your evidence, and in respect of each of the ones that Counsel Assisting took you to, you prepared a cover quote which exceeded the amount of the Plantac quote. Is that an accurate summary of the evidence that you gave?---Could you just ask that question again?

Certainly. In respect of each of the Plantac quotes - - -?---Yes.

- - - that you were taken to by Counsel Assisting - - -?---Oh, yes, yes. Yes.

20 - - - as I understood your evidence on each occasion you provided a quote which exceeded the amount of the Plantac quote?---That's right, yes.

Right. Why was it that – did you ever underquote the Plantac quotes that were provided to you?---Not that I can recall.

All right. So am I to understand from your evidence that it was all one way, that is, that you were always providing cover to the Plantac quote?---There was one instance later on where I was advised that the same would be done for me.

30 And when you say “later on”, is that in – can you give some time period for that?---Um, It was um, I've just got it here, 33 York Street I think.

I see. Do you recall whether you were the successful tenderer in respect of that property?---Yes, I was.

All right.

40 THE COMMISSIONER: So when you say the same would be done for you, you mean that someone else would provide a cover quote above your quote so that you would be the successful tenderer?---That's right.

MS HOGAN-DORAN: And who told you that, or who said that to you?
---Darren Bullock.

All right. Do you have a recollection as to whether you were ever told who was the other contractor?---Yes.

All right. And what were you told?---Um, it was Plantac.

All right. Yesterday at – in the afternoon at transcript 663 you were asked some questions about a mobile phone number and I might have that shown to you. It's in Exhibit T54 at page 2730?---Do I have this here?

Sorry, that will come up on the screen for you, Mr Salmon?---Oh, sorry.

And you indicated to Counsel Assisting that that handwriting of that name and phone number appeared to be yours?---That's right.

10

And you said you didn't know the number so you couldn't say who it is? ---That's right.

Isn't it – is it, is it likely that the Kevin that you've written down there is Kevin Inskip?---It's possible, yes.

All right. And that's in about 2007 that notation?---Right.

20

All right. Thinking about that, did that reflect in any information provided to you by Mr Bullock?---It's quite possible.

All right. Do you have any recollection as to whether or not you telephoned Kevin?---No, but I, I did not ring Kevin at all in all of that time.

In all that time?---Yes.

And when was the first occasion on which you met or spoke with Mr Inskip, Kevin Inskip?---About?

30

At all?---I didn't talk to him.

All right?---The only times that I would have spoken to Kevin would have been at site, like, tender meetings.

I see. Did you ever tell him that you had something going – sorry, Kevin – did you ever tell Kevin at one or more of those site meetings that you had something going on with Mr Bullock?---No.

40

No. Is it possible that you've indicated that to him?---Is it possible that I - -

Is it possible that you said something to that effect though to him?---It's near impossible. I didn't talk to Kevin.

I see. But as I understand your evidence, both you and Kevin were present on site at least in respect of the 47 Abelia Street property?---That's right.

Right. And you said in your evidence this afternoon that you were both in the vicinity when Mr Bullock directed you to include 15,000 for him and 15,000 for the contractor?---That's right.

Right. And is it that you – are we correct to understand you didn't say anything to reject that direction by Mr Bullock in Mr Inskip's presence?
---No.

10 No. Just for the benefit of the Commission I'm having regard to Exhibit T46, page 356. You've been a longstanding friend of Mr Bullocks, I think you gave evidence yesterday that you'd been friends with him for some 30 years?---That's right.

And that you were apprentice carpenters together?---Yes.

And are we to understand that that's a close personal friendship?---It's a friendship, yes.

20 Right. Has Darren ever, Mr Bullock ever asked you to be a referee for him on an application for employment as best you can recall?---Possibly but I, I can't recall an occasion.

All right. Could the witness be shown Exhibit T29, and it's the last page, sorry, just the first page first. I don't want you to look all the way through it, it's not necessary, Mr Salmon, but that's an application by Mr Bullock of 21 May, 2001 for the position of project officer with the Department of Public Works?---Right, yeah.

30 You gave some evidence yesterday that, about your knowledge of Mr Bullock's employment history and you knew that he had worked at Public Works for at least for two different periods, do you remember that?
---Yes.

Right. Do you remember having any discussion with him about him applying for the position with Public Works?

MR NAYLOR: Commissioner, I object. I just wonder if this is straying - -
-

40 MS HOGAN-DORAN: All right.

MR NAYLOR: - - - outside the scope of, scope and purpose of this hearing.

THE COMMISSIONER: Is it going somewhere?

MS HOGAN-DORAN: Perhaps I can go a different way. I am conscious of that, I just want to ask this question. On the last page of that exhibit - - -?
---Do you want me to look at it?

Yes, please, Mr Salmon, I'll try and do this quickly. You see under the title "References, David Salmon, director A&DJ Salmon Pty Limited."?---Yes.

You have a company don't you, A&D Salmon Pty Limited?---That's right.

Seeing that there do you have any recollection of being asked to be a referee for Mr Bullock?---Well, I didn't prior to seeing this.

10 Right?---And that company name is wrong by the way.

Yes. You said yesterday at – just put that to one side, Mr Bullock, Mr, Mr Salmon, I apologise, at transcript 629 that you thought that Mr Bullock had worked for a company David Holdings?---Davids Holdings, yes.

Davids Holdings?---Yes.

Is that the same or different to the company David Salmon Holdings?---No, totally different.

20

All right. Have, at transcript – I'm nearly finished. At transcript 633 and 4 yesterday, and again today, you were asked some questions by Counsel Assisting about the sale of business. The – you've said in your evidence that you kept a large amount of cash after the, after the sale of that business at your home, did you ever keep a tab – you said you didn't use – you said to Counsel Assisting that you didn't put the payments to Mr Bullock through any books of account?---That's right.

30 But did you keep any kind of tally or rough tally of the payments that you did make to Mr Bullock?---No, not at all.

All right. Did you ever tell Mr Bullock about – that you were paying him from your own cash, from a cash reserve?---No.

Did he ever tell you that he kept a cash reserve at home?---Not that I can recall.

You applied in May 2005 to be included in the selected tenderer list for the MSB, do you recall that?---Well, it's 10 years ago. I must of.

40

All right. I don't need to take it to you but I can if needs be, on that application it says that you were currently providing, doing work for the MSB. Do you have a recollection as to how far back – sorry, no, I won't, I won't pursue that. No, that's all I have for you, Mr Salmon, thank you? ---Thank you.

THE COMMISSIONER: Thank you. Any other questions? Yes, Mr Chee.---

MR CHEE: Mr Salmon, I appear for Darren Bullock, you understand that?
---Yes.

You've given evidence today that you felt concerned for your safety and that was the reason why you made a payment to him late last year and early this year. Is that correct?---It was one of the reasons, yes.

You've been friends with Mr Bullock for over 30 years?---That's right.

10 That's correct?---Yes.

You go on regular skiing holidays with Mr Bullock, that's correct too, isn't it?---I wouldn't say regular but we have been on them, yes.

You've also gone on holidays with your families together?---When was that?

20 Did you go on a holiday to the Hamilton Islands with your families?---It would be 15 years ago. No, sorry - - -

And you've continued going on - - -?--- - - - that would be, be prior to that.

So you have gone on holidays with your families and you have been going on ski trips with Mr Bullock?---Well, yes.

It doesn't seem to appear that you have much, it doesn't seem to strike or ring true that you have a fearful or concern for your safety, does it?---Well, I have seen occasions when Darren can be quite violent.

30 I need to put it to you that you didn't make any payment to Mr Bullock earlier this year in the amount of \$3,000. What do you say about that?---That's wrong.

And I need to put it to you generally that you didn't make any payment to Mr Bullock whilst he was employed at the Mine Subsidence Board?---Incorrect.

40 And you've given evidence today about receiving proceeds from the sale of pool centre?---Yes.

Do you recall that?---Yes.

How much did you get from that sale?---Approximately \$160,000 all up.

And was that amount withdrawn in cash and kept at your home?---No.

What amount was withdrawn in cash and kept at your home?---Sorry, say that again?

What amount was kept at your home?---I don't know exactly.

But you would say that it must've been a substantial amount to enable you to meet, on your version of events, the amounts which you paid Mr Bullock?---That's right.

10 And it's also your evidence, Mr Salmon, that this amount sat at your home from the time you sold the pool centre up until around 2007 when you say you started making payments to Mr Bullock. That's correct, isn't it?---Yes.

In your earlier evidence you said that one of the, or a number of motivations for your participation in what's been described as an arrangement, scheme or system is that you had bills to pay, a young family and an illness in the family and this was in 2007?---Yes.

But in 2007 you still, you had a substantial amount of cash funds at your home?---That's right.

20 Why didn't you use that cash to meet those bills?---The cash was kept as a reserve in case of illness of myself. Um, I had other bills that you couldn't use the cash for to pay.

THE COMMISSIONER: You mean when, you mean that, do you mean to say that you were keeping the cash in the event that you could no longer work?---That's right.

MR CHEE: Could the witness be taken to exhibit 54 page 2720.

30 THE COMMISSIONER: T54?

MR CHEE: Yes, T54.

THE COMMISSIONER: Have we got that?

MR CHEE: Mr Salmon, you've identified that as Mr Bullock's handwriting. That's correct isn't it?---That's right.

40 I'd like you to focus on the way in which the numerals are formed, particularly the three and also the zeroes and how they are linked together. I'd like you to compare that to Exhibit T1, page 2094.

THE COMMISSIONER: Do you have that in front of you?---Yes. Sorry.

Yes, what was the question, Mr Chee?

MR CHEE: Do you recognise the handwriting on that document?

THE COMMISSIONER: Which one are you referring to now?

MR CHEE: Exhibit T1, page 2094?---It appears to be Darren Bullock's handwriting.

Okay. Can you see that there are a number of instances where the numeral zero has been written in handwriting?---Ah, yes.

10 Can you compare the way in which the, the numeral zero has been written in that document with the earlier document, Exhibit T54, page 2720?---That, it's not on my screen at the moment. Oh sorry, hold on. All right. Okay. I'm looking at it, yes.

Do you agree that it's formed differently?

MR NAYLOR: Well, I object.

MR CHEE: It appears to be formed differently.

20 MR NAYLOR: I object.

THE COMMISSIONER: Sorry, what does that mean?

MR CHEE: It appears to be - - -

THE COMMISSIONER: Look, Mr Chee, are you putting to the witness that the – that both sets of figures are said to be those of Mr Bullock's but that they are in fact not the same handwriting, is that what you're putting?

30 MR CHEE: I'm putting that the handwriting which Mr Salmon has identified as Mr Bullock's at Exhibit T54, page 2720 is not Mr Bullock's handwriting and I'm putting it to him that in comparison to the handwriting in respect of Exhibit T1, page 2094 it's clearly different.

THE COMMISSIONER: Is 2094 the claim processing worksheet?

MR CHEE: Yes, it is.

40 THE COMMISSIONER: Well, have we established that that's in fact Mr Bullock's document or not?

MR CHEE: I'd ask him – well - - -

THE COMMISSIONER: Well, it may not – if it's not Mr Bullock's document then the comparison stands for nothing.

MR CHEE: I'd ask the witness to accept that it is and it will be put to Mr Bullock that whether or not it's his handwriting when it's time for him to give his further evidence.

THE COMMISSIONER: Well, I'm sorry but I'm just looking – I'm looking at the document on the screen and the – there are a number of names – well, there's at least one name in relation to the approval of delegate name D it looks like Brewer or something to that effect. Anyway, if - - -

10

MR CHEE: I believe that's D Bullock.

THE COMMISSIONER: Well, all right. Well, anyway, so you're asserting that that document is Mr Bullock's document?

MR CHEE: The handwriting is Mr Bullock's.

THE COMMISSIONER: Right. And what you want to say is that – are we referring to the zero that appears under – sorry, adjacent to the word “depth”?

20

MR CHEE: Yes. There are two zeroes.

THE COMMISSIONER: 500 something?

MR CHEE: Correct.

THE COMMISSIONER: Right. That's what you, that's what you're asked to focus on, Mr Salmon?---Right.

30

Go on, Mr Chee.

MR CHEE: I put it to you that the handwriting and the way in which the zeros are formed, when comparing the two examples of handwriting are different, do you agree with that?---I'm not a handwriting expert.

MR NAYLOR: I object.

THE COMMISSIONER: Well, I think, I think he's got his answer, he can't answer the question.

40

MR CHEE: He has – well, he's offered an opinion as to whose handwriting appears - - -

THE COMMISSIONER: I know but it's an opinion which is as good as one can infer from a comparison of the two documents that you are seeking to compare, Mr Chee. I mean, we can look at the documents for ourselves

but I mean at the end of the day Mr Salmon's simply saying that his opinion is that it's Mr Bullock's handwriting. Anyway - - -

MR CHEE: Very well. I'll move on. Mr Salmon, have there been any occasions where you have attended a walkthrough of a site and there has not yet been issued a scope of works?---Quite possible.

10 And if I could suggest to you that such an instance would have occurred if the Board was seeking some input from the contractors as to how to best fix the issues at the site, is that correct?---There again that is, that's quite possible, yes.

And that could be an explanation as to why quotations were issued before a scope of works was issued?---Yes.

Okay. Thank you, Commissioner.

THE COMMISSIONER: Mr Roff, do you have any questions?

20 MR ROFF: No, Commissioner.

THE COMMISSIONER: Anything in reply, Mr Naylor?

MR NAYLOR: Commissioner, not strictly speaking in reply but I was handed a document only just a few moments ago which I do need to ask the witness about.

THE COMMISSIONER: All right.

30 MR NAYLOR: I'll be brief.

Do you still have volume 6 there of 254, sir?---I think so. That's that one, yeah, thank you.

Go to page 2785, a bit hard to read, this is the second page of the three-page set of handwritten notes of the text messages?---Yes.

40 And I'd taken you already to entries in relation to 100 Brundah, 21 January, 2013 and there was another property which is the subject of handwriting beneath that, 74 Hilton Park, you see that?---Yes.

I want to hand you a file, please. Copies are being distributed to the parties, Commissioner. Sir, go first of all please to page 3245, that's an instruction issued to you by Mr Bullock dated 18 December, 2012 to arrange for specified - - -?---On which, sorry, what page?

3245?---Oh, sorry.

It's in very small print in the bottom right-hand corner?---Right.

That appears to be an instruction issued to you to perform works or repairs rather in relation to 74 Hilton Park Road, Tahmoor and it's from Mr Bullock, you see that?---Yes.

Then a few pages before, 3243, you issue a tax invoice - - -?---Yes.

10 - - - to the MSB dated 21 January, 2013?---Yes.

For \$6,860 plus GST, see that?---Yes, yes.

And go to the previous page, it would appear that Mr Bullock has authorised payment of your invoice. Go back to volume 6, please?---Yes.

Those handwritten notes?---Yes.

20 In relation to 74 Hilton Park there is the numbers 4,860 plus?---Yes.

What does that indicate, please?---The cost of the job.

Right. And we've already taken your evidence in relation to what appears below that, 1,200 both ways. Then beneath that, \$1,000 each. What does that mean, please?---The amount to be added on to the cost of the job.

And that job is 74 Hilton Park?---Ah, yes.

30 Right. So \$2,000 was to be added to the 4,860?---That's right.

To give 6,860?---Correct.

Which was the amount that you invoiced for?---Correct.

So that included, that invoice amount included \$2,000 which wasn't part of the true value of the job and which formed part of the defraud, the fraudulent arrangement that you had with Mr Bullock - - -?---Correct.

40 - - - to defraud the MSB. That's right, isn't it?---Correct.

Yes. Thank you. I tender that document, Commissioner.

THE COMMISSIONER: Yes. That document will be Exhibit T60.

**#EXHIBIT T60 - MSB CLAIM FILE 74 HILTON PARK ROAD
TAHMOOR**

MR NAYLOR: That's all. Thank you, Commissioner.

THE COMMISSIONER: Anything arising out of that, no?

MR ROFF: No.

THE COMMISSIONER: No. Thank you.

10 MR NAYLOR: Commissioner, just before we adjourn, may I indicate what the plan is - - -

THE COMMISSIONER: Yes.

MR NAYLOR: - - - for the remainder of the week? The proposal is, Commissioner, that two documents will be circulated to the parties, hopefully prior to the resumption of proceedings tomorrow. One being a one-page summary in respect of what are now the 44 property files together with another summary which is more in the nature of a chronology of the 43
20 property files. It will be a longer document, probably about 50 pages but it essentially summarises all of the relevant steps in, in each property file that I've already taken Mr Salmon to. And the purpose is to tender both documents in an effort to save some time with the rest of the witnesses so that we don't have to go through each step of the process for the balance of the week. The proposal will be to call Mr Bullock tomorrow and Mr Inskip on Thursday, thereafter Mr Cole-Clark and Ms Hargreaves.

THE COMMISSIONER: All right. Well, if Mr Bullock's going - I'm
30 sorry, can Mr Salmon stand down?

MR NAYLOR: Of course, yes.

THE COMMISSIONER: Sorry, Mr Salmon, you can stand down. Your evidence is finished for the time being. Should I excuse him from the summons, Mr Naylor, or should I simply - - -

MR NAYLOR: Yes, I think he might be excused.

THE COMMISSIONER: All right. You're excused from the summons,
40 Mr Salmon, you can stand down?---Thank you.

THE WITNESS EXCUSED

[4.13pm]

THE COMMISSIONER: In view of the nature of the document though, Mr Naylor, if it's going to be circulated should we allow some time for the

parties, in particular Mr Chee, to look at the document before Mr Bullock is called?

MR NAYLOR: Yes, yes. I intended to save time but also of course to indicate what the relevant parts of the file are so it's intended for procedural fairness purposes as well of course but if the Commission wanted to begin a bit later for example tomorrow morning then that's one option, alternatively if Mr Chee wants to contact me to indicate what his views are in relation to the document and how it might be used I'm comfortable with that as well.

10

MR CHEE: Commissioner, I have one other concern and that is calling Mr Inskip after Mr Bullock. Mr Inskip - - -

THE COMMISSIONER: Well, Mr Inskip as I understand it has some difficulties tomorrow, that's why we were meaning to call him on Thursday but Mr Chee, if Mr Inskip says anything that you need to address further from your client then we can, we can simply call Mr Bullock back to answer that issue but as I understand it won't take very long. What I would suggest is that we resume tomorrow at 12.00 unless I hear from one of the parties to the effect that they're not in a position to proceed and then depending on whether or not we do receive any message it might be that we resume at 2 o'clock in the afternoon but I'm in Mr Naylor's hands because he has to produce the document and it has to be circulated to the parties with sufficient time for them to look at it. Could I just leave it on the basis that we will resume tomorrow at 12.00 unless I hear something to the contrary?

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MR NAYLOR: Yes, Commissioner.

MR CHEE: Yes, Commissioner.

30

THE COMMISSIONER: All right. Thank you. I'll adjourn then till 12.00 tomorrow. Thank you.

**AT 4.15PM THE MATTER WAS ADJOURNED ACCORDINGLY
[4.15PM]**