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THERESA HAMILTON ASSISTANT COMMISSIONER

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON WEDNESDAY 11 APRIL 2012

AT 11.05AM

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ASSISTANT COMMISSIONER: Thank you. Please be seated. Yes. I apologise for the delay in starting it was unavoidable. Yes. Now, Mr Demiralay, I think Ms McGlinchey wanted to ask some questions.

10 MR MORRIS: Before we do, your Honour. Two things have arisen overnight. The first is that Ms McGlinchey has given us a statement of George Tshipidis dated this morning, 11 April, 2012 which seeks to correct some of the evidence given by Mr Tshipidis on 22 March, 2012. She has asked me to tender it and I propose to tender it, the original together with a copy. On my cursory examination of it doesn't seem to me that we need to recall Mr Tshipidis but it will be a matter for submission.

ASSISTANT COMMISSIONER: Yes, that's fine. Well, this statement from Mr Tshipidis dated 11 April, 2012 will be exhibit 55.

#EXHIBIT 55 - STATEMENT OF MR GEORGE TSIPIDIS DATED 11 APRIL 2012

20

MS OAKLEY: Just while supplementary statements are being tendered if I could tender another statement from Jenny Malapetsas. Her statement is in evidence at exhibit 30. There was - she wasn't called but her statement went into evidence. She has provided some changes and indeed a new statement. I've shown it to Mr Morris and he doesn't, as I understand it, have any objection to those documents being added to exhibit 30 as perhaps exhibit 30A.

30 ASSISTANT COMMISSIONER: Yes. The additional statement from Ms Malapetsas will be added to exhibit 30 as exhibit 30A.

#EXHIBIT 30A - SUPPLEMENTARY STATEMENT TO MS MALAPETSAS' STATEMENT

40 MR MORRIS: Coincidentally some computer forensic searches were undertaken last night and some documents have come to our attention which have been distributed and it is relevant material with respect to this witness. We previously haven't been aware of it. It seems to me that in terms of procedural (not transcribable) to see that - I seek leave to ask further questions of this witness with respect to those documents and I seek that leave.

Your Honour, for that purpose I tender an email chain dated 17 April, 2008 from Neale, N-e-a-l-e Craker, C-r-a-k-e-r to Mr Demiralay together with a copy for the witness.

ASSISTANT COMMISSIONER: Yes. That email chain will be exhibit 56.

**#EXHIBIT 56 - BUNDLE OF EMAILS COMMENCING WITH
EMAIL FROM MR CRAKER TO MR DEMIRALAY DATED 17
APRIL 2008**

10 MR MORRIS: Might that be shown to the witness.

MR MORRIS: Mr Demiralay, I'd like you to go to the second page of this document, please. Just have a look at that document?---Yes.

That's an email from you dated 15 April, 2008 to Neale Craker. All right. Do you remember Neale Craker?---Yes, I do.

10

Where was Neale Craker working?---Sydney University. Sydney University.

What department?---ICT.

ICT. And you in that email you say, "I need to recruit some contractors. What is the process we should be using. I have recruited them in the past but haven't followed any set procedures." Do you see that?---Correct.

20

And if you go to the front page you will see his response dated 18 April, 2008. Do you see that?---Yes.

And there are the following attachments; recruitment confirmation blank doc, consultancy agreement company, consultancy agreement individual and engagement of contactors PDF. Do you see that?---Um - - -

At the top.---Yes.

30

All right. Now before we go to those annexures you will see his response which is to set out in great detail the guidelines and procedures that you needed to apply. Do you see that?---Yes.

Now you have no doubt that you saw this document at the time it was sent to you, do you?---I believe so. It's sent end of April 2008, it's a long time ago but, yes.

You don't doubt that you would have received it?---No, it's got my name on it.

40

And is it the sort of document that you would have read?---I believe I would have at the time, yes.

That's because you were actually seeking guidance about what the policies were in your email weren't you?---Yes.

And you were seeking that guidance because you had an absence of knowledge about what the University procedures were. Correct?---Or I wanted clarification, yes.

I'm sorry?---Yes, I requested clarification, yes.

Yes. And he not only sent you a summary on this front page but he also sent you the protocols and procedures, if you'd like to go further into the document. If you go to the fourth page, sorry, if you go to the third page you'll see there's the recruitment confirmation?---Ah hmm.

Do you see that?---Yes.

10

If you go to the next page there's a Consultancy Agreement Company?
---Yes.

Now that's a document that you came to use regularly wasn't it?---That's correct.

Hey?---Yes.

20 And then if we go to the end of that document which is ten pages in length, we've got the Consultancy Agreement Individual?---Yes.

Right. And that was also a document that you came to use from time to time. Correct?---Correct.

And then you go to the next document which is entitled Engagement of Contractors. Do you see that?---Yes.

30 Now there's no doubt that you've received these protocols and procedures. Correct?---Correct.

And that you came to use the standard forms and contracts. Correct?
---These forms located here, yes.

And - - -?---I don't recall seeing that last document though, the Engagement of Contractors.

Well it was enclosed with this document. Correct?---I, I'm not aware of that, no.

40 If it was enclosed would you have read it?---I'm not sure. I don't recall seeing that document before.

Okay. Would you have read the Consultancy Agreements?---Yeah, they were the standard forms that we filled out.

Right. And you were reasonably familiar with them. Correct?---Yes. To the extent where the forms were filled out, faxed or scanned and sent, but it

was, the general terms and conditions weren't actually included in the, in the sent documents.

Well just – I want you to have a look at the second document, Consultancy Agreement Company?---Yes.

Right. And go to section 11, it's at page 8 of the document. There there is a section relating to conflict of interest?---Ah hmm.

10 Do you see that?---Yes.

And that was part of the document that you were using with respect to your contractors from Succuro. Correct?---I didn't use the entire document. Like I said when this form was actually used, what was actually used were – was that one page that required filling out which is the two pages required filling out which was those two. The rest of the document was not sent when we actually sent them through to Finance or Sydney Recruitment.

20 I understand. But these were the principles, these agreements were the principles that govern your relationship as the desktop services manager with your contractors weren't they?---Yes.

And you'd have been very careful I suggest to familiarise yourself with what they said?---To be honest with you I can't recall reading, reading that. I would just fill out those two pages that were required, fill them in and send them off for approval.

30 You would in order to discharge your duties as the desktop services manager familiarise yourself with this document because it governed the relationship between yourself and your contractors. Correct?---Well yes, correct.

Yes?---But I actually haven't read this document. I haven't read the, the general terms of this, of this.

40 No, but as at 2008 when you were sent this document you would have familiarised yourself with it. Correct?---I would have scanned it, yes I would have seen what I needed to fill out, that would have been my priority, what forms were actually required and I'd have based my actions on filling the paperwork out.

And it would have been obvious to you that conflict of interest was a major concern for the University. Correct?---According to this paperwork it is, but like I said I did not actually read the rest of this document.

But it was an important part of your job at ICT too, wasn't it?---Yes.

Now, if we go to the front page - - -?---Ah hmm.

- - - this sets out the protocols that you were obliged as an employee to follow when using contractors, correct?---Correct.

And it required that if the contract was less than \$50,000 you need to interview or at least consider the resumes of at least two people from two agencies?---Ah hmm.

10 If it's greater than \$50,000 interview at least three people?---Yes.

Do you see that?---Yes.

Now, that is not a policy that applied when you appointed Mr Tsipidis to his job, was it?---Which aspects of it?

Well, that you did not consider at least two people for Mr Tsipidis' job, did you?---Ah, I believe I did consider others.

20 All right. Who was that?---Oh, I can't recall now but I did receive CVs.

Can I suggest that that person was excluded because they were an external applicant?---Are you talking about when Mr Tsipidis came on board as a permanent employee?

Sorry, no, no. When he came on as a permanent employee - - -?---Ah hmm.

- - - there was one other external applicant, correct?---Correct.

30 That was excluded not on the basis of their capacity - - -?---Yes.

- - - but where they worked, correct?---Correct.

But when he came on as contractor - - -?---Ah hmm.

- - - who do you say the other people were that you had considered for his job?---I can't recollect.

40 And who were the agencies that you contacted?---Again, I, I can't recollect, it was a long time ago.

And what about Mr Buxton when he came on as contractor?---I did look at a couple of CVs for Mr Buxton as well.

All right. And how many recruitment agencies did you consider for his?---I think at the time it was only Succuro. It actually says here or at least consider the resumes of two, of, of people and the guidelines that I was actually given and it actually says at the stop, it's, it's messy so, so even

Neale took a fair while to get this back to me I sort of recall but I would just seek guidelines from people as I went along.

Now when he says it's messy, did you see that as a statement which gave you the authority to dispense with these purchasing policies?---No.

10 Now, the documents will speak for themselves but are you prepared to concede that on occasions contractors were appointed when fewer than two people were considered?---At times it was unavoidable because no, we couldn't actually get any other submissions from any, anyone else and that was actually okayed by, by the University.

And there were occasions where fewer than two agencies were approached? ---I can't recollect.

Well, like Mr Selamat for instance?---Possibly, yes.

He was Succuro, correct?---He was Succuro, yes.

20 Right. On one view Mr Bach and Mr Taylor were also Succuro?---Yes.

Now is it the case that anywhere in writing, in writing you informed your superiors that for the interests of expediency you were unable to procure the relevant number of people or the relevant number of agencies and seek written dispensation for them?---When you say superiors, if that actually entails the finance area, yes, I actually did discuss it with Irma and on occasion I did actually stipulate to her that the other applicants were either unsuitable or at the time I'd only received the applicant for a certain individual.

30 I'm talking about in writing?---I don't know if I did that in writing.

The documents will speak for themselves, is that what you're suggesting? ---I beg your pardon.

Such documents as there are - - -?---Ah hmm.

40 - - - will be before the Commission, is that what you're saying?---No. They may be, I'm not, I'm not exactly sure but there was occasions where I just picked up the phone.

Commissioner, I'd like to tender an email chain from Jessica Ho to Steve Dura, Ian Brennan, Christo Willemse, W-i-l-l-e-m-s-e and Mr Demiralay dated 20 February, 2009 together with a copy.

ASSISTANT COMMISSIONER: Yes, that will be Exhibit 57.

**#EXHIBIT 57 - BUNDLE OF EMAILS COMMENCING WITH
EMAIL FROM MS HO DATED 20 FEBRUARY 2009**

MR MORRIS: Your Honour, there are a number of emails attached to that but it's part of a series of pieces of correspondence which are of common theme. Might that be shown to the witness, please. Just have a look at that document?---Ah hmm.

10 This is an email – this front page is an email from an accountant from ICT to yourself regarding contractor listing and advice on contractors that have left the area. Do you see that?---Yes.

Now just for clarification did Steve, sorry I said Dura, it's actually Junor isn't it, J-u-n-o-r?---Ah hmm. Yes, that's correct.

Was he in ICT?---Yes, he was, he was a peer.

20 He was a peer. Ian Brennan was he at ICT?---Yes.

Christo Willemse?---Yes ICT.

ICT. Okay. Now if we go to the next page it has an ICT contractor database?---Ah hmm.

30 I'm just distributing copies of that to the bar table. I'll give everybody a moment if it's all the same, your Honour. If you go to the second page, the desktop support area, was that the area that you were responsible for within ICT?---One of three areas, yes.

What were the other areas?---Audio visual services and network engineering.

Right. Were you involved in communication services?---No.

Were you involved in DR & Data Centre?---No.

IT Security?---No.

40 Server and storage hosting?---No.

Service delivery and management?---No.

Or support services?---No.

Right. So were they – were the responsible officers or colleagues of yours were they Steve Junor, Christo Willemse and Ian Brennan for those areas? ---Correct.

So if we look at this summary as at February 2009 and assuming this summary to be correct it seems that all the contractors for desktop support were Succuro Recruitment as at that time?---At this point of time, yes.

And if we go to the next page which is an email dated 23 March, 2009 that's a response to an email from Jessica Ho, spelt H-O, dated 23 March, 2009? ---Yep.

- 10 In which she asks for confirmation that the contractors within your department were as named within that group and from the Succuro agency. Correct?---Correct. They sent me one on a monthly basis.

And you confirm that that list is correct with hopefully a further two contractors. Right?---Yep.

Correct?---Yes.

- 20 If we go to the next document which is an email 25 May, 2009. It's another contractor listing and there are eight contractors, seven of which were from Succuro Recruitment. Correct?---Ah hmm. Yep.

And if we go to the next document which is 15 December 2009 there are seven contractors listed there within your department, four of which were from Succuro and two from Gemeq G-e-m-t-e-q IT and of course Mr Buxton from his own agency. Correct?---Yes.

- 30 But if we look at the accrued days it seems that the Succuro Recruitment contractors were all employed on a full time 40 hour a week basis. Correct?---Correct.

And the other three were only part time?---No, they weren't. That was probably because they recently started and they'd only accrued 10 days.

Sorry?---That is probably because they had recently started and only had accrued that number of days.

- 40 That's the alternative explanation?---that is the explanation because no contractor was hired on a, on a part time basis they were always full time.

Okay. So is it the case that all - when you started at ICT there were a great number of smaller time, part time contractors being employed by Succuro. Is that correct?---Not within my area of responsibility, no.

In other areas. So the - in so far as your appointment of contractors - - -?---Yes.

- - - they were all full time 30 - - -?---5 hours a week.

- - - 35 to 40 hours a week?---Correct, yes.

All right. Thank you.

ASSISTANT COMMISSIONER: Yes. Now, I think Ms Oakley and Ms McGlinchey, do you still want to question this witness, Ms McGlinchey?

McGLINCHEY: I do, Commissioner.

10 ASSISTANT COMMISSIONER: Well, perhaps since she's already at the front Ms Oakley can go first and then - - -

MS OAKLEY: Ms McGlinchey.

ASSISTANT COMMISSIONER: And then Ms McGlinchey.

MS OAKLEY: Mr Demiralay, you gave some evidence yesterday about signing documents. Do you recall?---Kind of.

20 All right. You, I think said that you had a practice of signing documents without necessarily having read them?---True, yes.

You would agree though wouldn't you that when you sign, when you put your signature on a document what you're doing is you're saying that you agree with its contents. Do you agree with that?---Yes.

And you're also saying aren't you to anybody who looks at that document with your signature on it, you're saying to those other people that you agree with its contents?---Yes.

30

And you're saying that whether you read the agreement - whether you read the document or not aren't you?---That's correct, more so since, since I've been in this predicament and the situation has highlighted the importance of it, yes.

And when you were employed by the University you were aware weren't you that the University had various policies and procedures, as a general proposition I'm putting to you?---Yes, I was overwhelmed by the policies and procedures.

40

And you understood didn't you that those policies and procedures set out the way the University wanted its employees to do certain tasks. You understood that didn't you?---Yes, yes, I did.

And you've given some evidence that you didn't necessarily familiarise yourself with those policies and procedures but you certainly understood that that was what the University intended?---Correct. I, I rely more

heavily like a lot of my peers did on going to the source for information and, and for one their guidance.

Well, when you say you relied like a lot of your peers did, the evidence that's been given this morning exhibit 56, I don't know if you've still got it in front of you, that, that was a case where you did seek some guidance about the hiring or the recruitment of contractors. Do you agree?---Correct. That was in 2008 and I started in 2006, yes.

10 And, well this is - I take it that this is one of the examples that you would refer to when you say that you sought guidance from other employees at the University?---Yes.

And information was provided to you - - -?---In most cases.

- - - in, in response to that request?---In most cases, yes, in, in this occasion it, it was.

20 Yes. Well, just looking at Exhibit 56 - - -?---Yes.

- - - that's the case, isn't it?---Yeah.

Mr Neale - Mr Craker, sorry, set out what the University expected - - -?
---Ah hmm.

- - - when contractors were approved, would you agree?---Yes.

30 And did I understand your evidence earlier to be that you chose not to read the documents that were forwarded to you by Mr Craker in detail?---No, not in any detail, my focus was on the pages that needed to be filled out and I, and I believe at the time I did actually go back to, to Mr Craker with some questions and he referred me on to, to Finance or Sydney Recruitment.

I'm just trying to clarify the evidence that you gave?---I, I, I scanned the documentation to get an understanding of what I actually needed to fill out to, to hire people.

40 So would this be a correct summary: you looked at the documents to see what the blank spaces were that needed to be filled out?---Correct.

Is that about the size of it?---Yes.

Now, Mr Adrian Buxton was a person who was engaged under contract by the University, is that right?---Correct.

To work in the ICT area?---Ah hmm.

Would you agree with that?---Yes.

And you were involved in his engagement by the University, weren't you?
---Correct.

And it would be fair to say, wouldn't it, that Mr Adrian Buxton was a close personal friend of yours?---Yes.

And it's the case, isn't it, that your friendship with him - - -?---Ah hmm.

10 - - - influenced the decisions that you made in connection with his engagement by the University?---I disagree with that, my professional judgment came into it and it was based on his professional abilities.

But you were influenced by your close personal relationship with him, weren't you?---Ah, the close personal friendship gave me the ability to know the guy and know what he's capable of doing.

And that wasn't a close personal relationship that you felt you should disclose to the University?---Yes, it was.
20

Who did you disclose it to?---I believe that it was actually disclosed during a fortnightly service management meeting that took place in which included all my peers and my manager and at the time we, during our meetings we actually have a section where we discuss staff requirements and, and, and issues and I believe I put it on the table at that time and I explained the calibre of the person and we actually took it off the line and one of my peers and I met with Mr Buxton because ideally even though I wanted him in my team Mr Buxton wanted a role in Mr Brennan's team and we actually discussed that. Adrian came in and met with the both of us but it was
30 definitely put on the table during that meeting and Mr Brennan and myself and Adrian actually met with, with Mr Buxton and went through his capabilities and his CV.

When you say it was put on the table - - -?---Yes.

- - - you didn't disclose did you that he was a close personal friend of yours, did you?---I did not say he was a close personal friend, I actually explained that he was someone that I had closely worked with at Ozemail and he was my 2IC at the time and he came with very strong credentials.
40

So let me just make sure that I've understood your evidence?---Ah hmm.

It's the case, isn't it, that you disclosed a professional working relationship with Mr Buxton to the University but you did not disclose a close personal friendship, that's the case, isn't it?---I can't recall if I went into that much detail, I can't recall what was actually said at that meeting.

You cannot say, can you, Mr Demiralay, that you disclosed that Mr Buxton was a personal friend of yours?---No, I don't, I don't, I can't say that, no.

And you didn't distance yourself, did you, from his engagement by the University - - -?---No.

- - - because of that personal relationship you'd had with him, did you?
---No.

10 And Mr George Tsipidis - - -?---Ah hmm.

- - - was a person - before he was engaged by the University as either a contractor or an employee he was - - -?---Yes.

- - - somebody who was well-known to you?---Yes.

And he was known to you because, amongst other things, because your wife is the sister of his wife, correct?---Correct.

20 And that relationship was not a relationship that you disclosed to the University?---No, and I went into detail about that yesterday and the reasons why I did it. And I actually do regret that, yes.

And it's the case isn't it that your personal relationship with Mr Tsipidis influenced the judgements that you made in relation to his engagement by the University didn't it?---Incorrect. I actually went by his abilities and his professional background.

30 But you were nevertheless involved in his engagement both as a contractor and as an employee weren't you?---Correct.

And you didn't - - -?---Mr Tsipidis was going to report to me so, so ideally I would be the person that was going to interview him.

And you didn't distance yourself from that engagement process did you because of that personal relationship?---I didn't realise that I had to distance myself from the close personal relationship or that interview.

40 And Mr Tim Passe-de-Silva - - -?---Yes.

- - - was a friend of yours wasn't he?---I wouldn't say a friend, he was more an acquaintance. He was someone that had actually worked for me before. It's not like we caught up on a regular basis or anything else like that. We'd send each other emails occasionally or a phone call, but no, I wouldn't say that the friendship was in place to the extent with Mr Buxton though.

I'm not suggesting that?---Yes.

But he was – you would regard Mr Passe-de-Silva as a friend?---More now than I would have back then. He would have been more of an acquaintance (not transcribable) colleague.

I see. But that prior relationship was not something that you disclosed to the University when you were involved in his engagement by the University?
---Yes, it was.

10 And I suggest that your relationship with Mr Passe-de-Silva influenced the judgements that you made in relation to his engagement by the University?--
-Incorrect. It was a panel interview. There were other people on the, on the panel and, and Tim actually disclosed during that - prior to the interview that, that we'd actually worked together before.

That you had?---Prior – we had together prior, prior to that interview.

20 But you didn't disclose that you were friends or acquaintances outside of the workforce did you?---Well no, I can't recall if I did or if I didn't. But like I said I don't believe that our friendship spanned to that, to that extent. He was an ex-colleague and, and as I do now I've left Sydney University, I still keep in touch with people that I used to work with.

30 And you didn't distance yourself from the engagement process in relation to Mr Passe-de-Silva because of any prior relationship that you had with him did you?---No, I didn't realise I had to. But saying that too, I'm not the only person that would be – would fall in that predicament within Sydney University. I know of other instances where, where exactly the same thing has happened.

Mr Angelopoulos was somebody that you were acquainted with outside the work environment weren't you?---No, I wasn't.

You – he'd worked with your wife?---He'd worked with my wife. I'd only met the, the gentleman on one occasion.

And you'd met him at a wedding?---I beg your pardon?

40 You had met him at a wedding hadn't you?---Yes, because I was invited to a wedding as my, as my wife's partner and prior to that I did not know, know people at that, at that wedding.

But that wedding that you met Mr Angelopoulos at took place before his engagement by Sydney University?---Correct, yes.

And you didn't distance yourself did you from the engagement of Mr Angelopoulos because you knew him outside the work environment?---I'd met the gentleman on one occasion. Discussing it with my manager at the

time it was – I was advised to hire him on nomination. I did not hide the fact that, that Mr Angelopoulos was, was a referral. And at no stage was I told that I should not be involved in the interviewing process.

Well you didn't say that you knew him outside of the work environment did you?---I'd, I'd met him once, so if that, if that classifies me as having an intimate relationship with Mr Angelopoulos - - -

10 Well the fact of the matter is Mr Demiralay, you didn't tell anybody that you knew him outside the work environment before he was engaged by Sydney University did you?---Again, I stick by that, that I'd met the gentleman on one occasion for a few hours so how is that actually knowing someone.

So the answer to my question is no you didn't. Is that right?---No, I did not have a friendship with Mr Angelopoulos. I met him on one occasion.

20 Mr Smeros was also a person that you knew socially therefore he was engaged by Sydney University?---Same circumstances.

Right. And you didn't reveal that acquaintance did you?---I, I believe I did.

Mr Selamat, was somebody that you - had worked with your wife and that you knew socially before he was engaged by Sydney University. Correct?--I met him on one occasion. Again the same occasion.

And you didn't disclose that relationship before his - - -?---I believe I did, yes.

30 Who did you disclose it to?---It was open knowledge between my peers, I'm quite, quite certain that I even discussed it with, with my manager Mr Pigot. I went down to the level of actually even saying he, he, he was - he actually used to work with Mr Smeros in the past - in a previous role and he comes highly recommended.

I'm actually asking about Mr Selamat?---Yes. That's who I'm talking about.

40 I see. So you - is it - just to make sure that I've understood, you say it was open knowledge because other people knew?---Well, yeah.

Not because you disclosed it? Is that the case?---No. Look I'm, I'm, I'm quite certain that I did disclose this information to, to my manager at the time that he came highly recommended and, and that he was a referral and Mr Selamat had actually worked with, with Mr Smeros and I actually believe that Mr Smeros during his testimony actually said that he informed Mark himself.

You know that there is a difference don't you between having worked with somebody and having a personal relationship with them outside work, don't you?---You keep on saying a personal relationship, I don't actually see meeting someone on one occasion - I've met thousands and thousands of people, right, I don't see that as being a relationship outside of work.

10 So when you talk about disclosing relationships do I understand you correctly to be saying that you have disclosed a previous working relationship with people but not necessarily a previous social relationship with them. Is that the case?---If meeting one person at one wedding is, is, is, is - if that summarises a social relationship well I guess the answer is yes.

20 That you - I'm not sure that I understood your answer. I'll just clarify it if I may. Do you agree with the proposition that you didn't disclose to Sydney University social relationships with the various people that I've referred you to, that you feel that you did disclose a working relationship with them. Is that the case?---No. I would have actually - with people that I hadn't worked with Mr Angelopoulos, Mr Smeros, I would have actually said that, that they, they were, they were referred to me, they were referred to me and in the case of Mr Buxton and Mr Passe I would have actually said that they used to work for me.

I see. So I think you would not have disclosed any social relationship you had with these various people but you would have disclosed if they had worked with you?---Yes.

Is that correct?

30 MR EURELL: Commissioner, I object to the continued pressing of the suggestion that this witness has any form of social relationship with Mr Angelopoulos. Mr Angelopoulos evidence is entirely consistent with this witness. There was one interaction. There was a suggestion of a potential second interaction but the suggestion that there is a ongoing relationship is just not fair, it doesn't not (not transcribable) to the evidence and it should be (not transcribable)

40 ASSISTANT COMMISSIONER: I don't think, I don't think you can say Ms Oakley is saying that. She is putting her questions on the basis of accepting what this witness says that they've met at a wedding and that that was a social meeting.

MR EURELL: With respect, Madam Commissioner, what is being put is persistent suggestions that there was a social relationship on the basis that there is a need - - -

ASSISTANT COMMISSIONER: Well, I think Ms Oakley's characterising that as a previous social relationship.

MR EURELL: This witness is characterising it?

ASSISTANT COMMISSIONER: No, Ms Oakley is.

MR EURELL: Yes. And it's continually being - it's - the answer is coming from this witness that there was not a social relationship - - -

ASSISTANT COMMISSIONER: Well, he's entitled to say that doesn't amount to a social relationship.

10

MR EURELL: The witness has said - - -

ASSISTANT COMMISSIONER: That doesn't stop Ms Oakley from clarifying that he didn't report, he didn't disclose it.

20

MR EURELL: I appreciate that but it should, it should prevent the persistent putting of that proposition. It's been answered. It was not pressed with my client Mr Angelopoulos who said the same thing. If it's now going to be suggested that there was a social relationship it's just not fair. It doesn't, it does not accord with the evidence, it doesn't accord with the propositions that have been put with a long line of witnesses to this day and it really is illogical as this witness is saying that one meeting at a wedding could be (not transcribable) amount to a social relationship.

ASSISTANT COMMISSIONER: Yes. This is all a matter that can be dealt with in submissions, Mr Eurell. Yes, Ms Oakley.

30

MS OAKLEY: I've probably come to the end of my questions in any event, thank you.

ASSISTANT COMMISSIONER: Yes, thank you. Yes, Ms McGlinchey, if you could just come forward.

MR GIBSON: Commissioner, before Ms McGlinchey - - -

ASSISTANT COMMISSIONER: Yes.

40

MR GIBSON: - - - proceeds can I just rise? There was tendered by my friend a further statement of Ms Malapetsas I think (not transcribable)

ASSISTANT COMMISSIONER: Ah hmm.

MR GIBSON: There aren't copies of it, if I could have access to (not transcribable) Could I have access to this?

ASSISTANT COMMISSIONER: Yes, that's Exhibit 30A.

MR GIBSON: Thank you.

ASSISTANT COMMISSIONER: Yes, Ms McGlinchey.

MS McGLINCHEY: Mr Demiralay, I appear for Mr Tsipidis in these proceedings. Mr Demiralay, you've been, you've been asked some questions over the last day or so about your disclosure of your relationship with Mr Tsipidis to, within the University, yes?---Yes.

10 I don't wish to go over that again but I do wish to ask you some questions about what conversations you might have had with Mr Tsipidis about that disclosure. Okay?---Ah hmm.

So is it the case that you had a conversation with Mr Tsipidis about the time that he commenced employment at the University about how that situation should be handled?---Ah, I believe I did, yes.

Do you recall telling Mr Tsipidis that you would have a talk to Mr Pigot about that?---Yes, I did, I did say that to Mr Tsipidis.

20 Do you recall what you might have said to Mr Tsipidis about what you had decided to tell Mr Pigot?---I don't, I think it was along the lines of leave it with me, I'll have to think about it and I'll take care of it.

Can I just ask you to speak up a little bit?---I'm sorry, I think it was along the lines of leave it with me and I'll, and I'll, and I'll think about it and take care of it.

Do you recall saying to Mr Tsipidis that you would tell Mr Pigot that Mr Tsipidis was known to you?---Yes, that was my intention.

30 And I think you said yesterday that you at least intended to tell Mr Pigot that Mr Tsipidis was - came highly recommended?---Yes, that's correct.

So that would of course suggest that you had known at least about him in a professional manner - - -?---Yes.

- - - previously?---Yes.

40 Do you recall if you actually had that conversation along those lines with Mr Pigot?---I recall actually saying to Mr Pigot that Mr Tsipidis was - did come highly recommended and his CV actually spoke for itself and he had a good background.

Sorry, could I ask you to speak up again?---I'm sorry.

I'm really having a hard time hearing you?---I'm, I'm finding it hard to hear you as well, I'm sorry. I, I, I recall that I did speak to Mr Pigot and actually told him that he was highly recommended and I, I - and his CV actually

spoke for itself and he had a vast wealth of information and he'd be an asset to our organisation.

Do you recall if you told Mr Pigot that Mr Tsipidis was known to you previously, known to you in a personal sense?---I - no, I don't think I, I don't think I said that to Mr Pigot.

Do you recall having a later conversation with Mr Tsipidis in which you discussed your conversation with Mr Pigot?---I, I can't, no.

10

Can I suggest to you that there was a conversation that - - -?---It's quite possible.

I'll just - - -?---Sorry.

Can I suggest to you that there was a conversation and that you told Mr Tsipidis that you had that conversation with Mr Pigot and told him that Mr Tsipidis had been known to you previously?---That's more than possible, yes.

20

You were also asked quite a lot of - are you hearing me okay now or - - -? ---Oh, yes.

You were also asked quite a lot of questions yesterday about what you knew about your wife's role at Succuro - - -?---Ah hmm.

- - - at, at various times?---Yes.

30 So again, I don't wish to go over that but I do wish to ask you some questions about what you might have communicated or what you did communicate to Mr Tsipidis - - -?---Ah hmm.

- - - about your wife's role in Succuro?---Yes.

So can you tell the Commission in general terms what you did tell Mr Tsipidis about that?---I probably told Mr Tsipidis that - well, it's what I knew, that my wife had a part-time job with Succuro. I don't think I would have gone into any sort of great detail or anything else with Mr Tsipidis about the subject.

40

You said yesterday that you, you initially thought that your wife's role was administrative?---Correct.

Can you explain what that term meant to you or - - -?---She was performing office work on behalf of Succuro. She was doing whatever was required, filling out paperwork, filing, I don't know, it just - office work just seems to me to be office work, back end office work.

Is it possible that you also told Mr Tshipidis that this administrative role was across a number of Mr Mylonas' businesses?---Yes. And that was the understanding that I actually had.

Not just Succuro?---No, no, not just Succuro.

10 Because Mr Mylonas had various business interests of various kinds?
---That's right. At some stage I discovered he had six businesses or something like that. I'm not, I'm not fully aware of what his business ventures are.

So just to be clear and – you never told Mr Tshipidis that your wife worked in a recruitment role. Is that correct?---That's correct.

And that you never told Mr Tshipidis that your wife or yourself had a financial interest in Succuro?---Correct.

20 And you never told Mr Tshipidis that your wife or yourself were shareholders in Succuro?---That's correct.

Or that either yourself or your wife were directors of a company associated with Succuro?---Absolutely correct.

Do you recall – and you may not – but you were asked some questions yesterday about some documents in Exhibit 33 about a recruitment campaign in 2009?---No.

30 Do you have any recollection of a recruitment campaign for a CSO in 2009, March 2009?---If I had a name I might remember.

All right. Well if I could suggest the name Thomas Mawter to you?---I know the name and I know the individual. The campaign I'm not actually sure about what you're talking about.

All right. Could I suggest to you and you tell me if you have no recollection of this, is it possible that Mr Mawter and Mr Sam Sekuloski were both interviewed in March 2009 for a CSO role?---That'd be correct I guess, yeah.

40 You did say yesterday that you recalled interviewing them?---That's right, yes I do.

Have you had any further recollection about what that role was for that Mr, Mr Sekuloski was interviewed for?---It was a CSO position, yes. I think at the time we were actually looking at recruiting five people if I'm correct. It sort of rings a bell.

All right. And it's the case isn't it that Mr Mawter was ultimately appointed to that position?---Yes. He was, he was a good candidate.

And Mr – but you have a recollection of interviewing Mr Sekuloski - - -?
---Yes, I do, yes.

- - - because you told the Commissioner that he wore a funny hat?---That's right. He was a very odd individual from recollection.

He was ultimately unsuccessful in achieving a position?---Yes.

10 Is it the case that in – from about 2008 to 2009 there were in practice two preferred suppliers of recruitment contractors used in ITC?---Yes, that's possible.

That – can I suggest to you that in that period - - -?---Ah hmm.

- - - RSG and Succuro Recruitment were used predominantly in ITC?---Yes.

20 Can you recall whether there was any decision to do that or whether that was the practice that developed?---That was the practice that actually developed, I think RSG were on board when I first joined the University, so we were actually using RSG as well.

Do you recall that throughout March 2009 you had conversations and meetings with people at Peoplebank?---Yes.

Were they attempting to become a preferred supplier?---I wouldn't say a preferred supplier, but they actually wanted to see if there was any opportunities for them with the University.

30 And were there opportunities for them at the University?---Yes, I believe we did hire some people from Peoplebank. But like I said yesterday, I think I was cold canvassed by a gentleman from Peoplebank who had just taken over someone else's role and I actually met with the gentleman because I wanted to discuss possible opportunities for myself outside the University as well.

Ultimately candidates were put forward from Peoplebank - - -?---Yes.

40 - - - throughout 2009 and they were hired?---I think there was two.

Because I suggest Ben Parks, the name Ben Parks?---Oh that's right. He didn't work out too well, yes.

And another candidate who was successful [REDACTED] also known as [REDACTED]?---Yes.

Who still works at the University I understand?---That's correct.

MS OAKLEY: Sorry, I should have objected earlier, but I think that there was - - -

MR MORRIS: There was a suppression order in relation to that name.

MS OAKLEY: - - - a suppression order in relation to that name.

ASSISTANT COMMISSIONER: Which name sorry?

10 MS OAKLEY: [REDACTED].

ASSISTANT COMMISSIONER: [REDACTED] - - -

MS OAKLEY: [REDACTED] or [REDACTED].

ASSISTANT COMMISSIONER: [REDACTED],

MR MORRIS: [REDACTED].

20 MS OAKLEY: I think [REDACTED].

ASSISTANT COMMISSIONER: Okay. Yes well I continue the suppression order in respect of Mr [REDACTED] name.

MS McGLINCHEY: Just in relation to Peoplebank, I think you've agreed with me that there were at least two people that came through – that were successful - - -?---Yes.

- - - in being placed throughout 2009?---Yes.

30 Ultimately it's the case isn't it that Peoplebank were not used after the late 2009?---Yes.

Do you recall why that might have been?---Not really. Because I think from that period onwards, from early – from say March or so I didn't really get involved with the recruitment process or computer support officers. I more or less focused on my role as a manager and looked after team leader roles.

Well just on that it was in April 2009 that the delegation was made to team leaders?---Okay. I thought it was about that time, yes.

40 And from that time on team leaders had the responsibility to recruit CSO positions?---Yes.

But team leader positions stayed with you?---Well yes, I wanted, I wanted to make sure that stayed with me because the people would be my direct report so I wanted to make sure they were suitable candidates.

After that time there were can I suggest to you a number of appointments made for CSO positions that did not come from Succuro?---That's possible, yes.

We've already mentioned two?---Ah hmm.

Can I mention – can I suggest the name Mark Cavanagh?---Yes.

10 Do you recall that name?---Yes, yes I do recall Mark Cavanagh.

And he came from Gemteq. Do you recall that?---Yes, yeah.

And also an appointment of Clara or Clara Connors?---I remember the individual, yes.

You remember that successful appointment?---Yes.

20 And that she was from TRG, sorry, I apologise, TRA Global?---I wasn't aware of where she was from, but I do know the individual.

You were asked some questions yesterday about the appointment of Mr Jankovic?---Yes.

Or the process involved with Mr Jankovic. Just to clarify the situation on who was responsible in that process or more generally on deciding on the final list of names of people to be interviewed?---That would have – for Mr Jankovic that would have been me probably.

30 You. You in consultation with Mr Fang or you alone?---Probably in consultation with Mr Fang. So if someone else applied for it Mr Fang would have put – probably put that person forward.

Is it the case that – do you have a recollection of that actual process of Mr Jankovic's recruitment?---Not really, no.

Do you recall that he was interviewed by your – the team leaders?---Yes.

40 All right. Do you recall the feedback from that interview process to you? ---Yes. He, he shone I believe because he was already in the role.

It was can I suggest to you a consensus of all of the team leaders that he was the best candidate?---Yes, that sounds, that sounds fair.

Thank you, Commissioner.

ASSISTANT COMMISSIONER: Thank you, Ms McGlinchey. Yes, Mr Gibson, do you want to ask any questions?

MR GIBSON: Mr Miralis might - - -

ASSISTANT COMMISSIONER: Mr Miralis, oh, yes, all right.

MR MIRALIS: Mr Demiralay, I appear on behalf of your wife, Virginia Kantarzis. I just wish to ask you a number of questions?---Sure.

Perhaps I can just introduce the questions by indicating that these initial questions will deal with your domestic circumstances in 2007?---Ah hmm.

10

Is it the case that you were living with your wife in 2007 at [REDACTED]?---Correct.

And you were aware that she had in fact left First Data in 2007 with the express purpose on focussing in trying to raise a family, is that correct? ---That's correct, yes.

20

And it's the case, isn't it, that throughout 2007 you were, she was undergoing an IVF programme, you were aware of that?---We were both going through the IVF programme, yes.

Okay. Over the course of that period of time you were living together and you had an opportunity to observe her responses to the IVF programme, is that correct?---Correct.

Would you be able, if I suggest to you that it was a period of emotional stress for her what would your response be to that?---Absolutely. It was an incredible period of emotional stress, hormonal, mood swings, everything.

30

And in terms of the fact that she decided to join Succuro after she left First Data, I suggest to you that she expressed to you the reason for that was it was part-time work?---That's right, yes.

And it was conducive to her being able to focus on the IVF programme as well as being able to do some type of work?---That's right, yeah. That's right, yeah. She was going a bit stir-crazy sitting at home, yes.

40

Okay. Now the living arrangements were such that there was, within the unit there was a separate kitchen?---A small kitchen, yes.

Okay. And attached to the or next to the kitchen bench there was in fact a workstation from which Virginia performed her work?---That's right, a small desk, that's what I meant, yes, that's right.

And on that desk there was a computer?---Yes.

And to your knowledge that computer was connected to the Internet?---Yes.

And on that desk I would suggest to you you would ordinarily see that there were piles of paperwork consistent with the type of administrative work that Virginia told you she was doing?---Correct, I couldn't see the desk, it was just full of paper.

Okay. And you had occasion, despite your long hours of employment at Sydney University to observe her sitting at that desk?---Yes.

10 And it seemed to you that she was performing work as she told you for Succuro?---Oh - - -

MR MORRIS: I object.

THE WITNESS: - - - on occasion, yes, correct.

MR MIRALIS: Okay.

ASSISTANT COMMISSIONER: Mr Miralis - - -

20 MR MIRALIS: I could rephrase it.

MR MORRIS: What his conclusion is - - -

ASSISTANT COMMISSIONER: Yes. Leading, leading is allowed. The utility of it decreases with the extent to which, you know, the witness is - - -

MR MIRALIS: I appreciate that, Commissioner.

30 Now, in relation to the work that she was doing at Succuro in 2007 she told you that she had nothing to do directly with recruitment at Sydney University, is that correct?---That's correct.

And in 2007 when she commenced working for Peter Kostogiannis she indicated to you that her role was an employee, is that correct?---That was my understanding.

40 And you understood that she was being remunerated approximately four to \$500 per week?---That was what, yes, that's what, that was my understanding.

Okay. You had no reason to doubt her representation to you that she was an employee of Peter Kostogiannis at Succuro - - -?---No.

- - - and that she had no further involvement with Sydney University?---No.

MR MORRIS: I object.

ASSISTANT COMMISSIONER: Yes. What is the basis of that?

MR MIRALIS: Well, Commissioner, this witness has given evidence about if you like reliance that he's placed on representations made by my client and I have no doubt that ultimately a submission will be made by learned friend as to whether or not you will accept the reliance placed (not transcribable) him with respect to, for instance, his position vis-a-vis any formal title with Succuro Pty Limited. The relationship does become relevant because the reliance placed on representations made by my client will clearly on the evidence adduced thus far be a matter for some
10 consideration and some submission why reliance was placed on those representations, the nature and the basis upon which there was foundation for reliance being placed is a relevant consideration before the Commission.

ASSISTANT COMMISSIONER: Yes, go on.

MR MIRALIS: Thank you.

I was asking you, Mr Demiralay, in relation to her representation to you that she was working only as an employee at Succuro and having nothing to do
20 with Sydney University, do you recall that?---Yes.

And you took Ms Kantarzis' word at face value and you had no reason to doubt the truthfulness of what she said to you about her relationship with Succuro.

MR MORRIS: I object.

MS OAKLEY: I object.

30 MR MORRIS: It's not a proper question. There's about three questions lined up.

MR MIRALIS: I can break it down, I can break it down this way.

MS OAKLEY: I'm also concerned about the basis on which this is being put because after all there was reason to doubt in, in light of some documentary evidence that Mr Demiralay was asked about yesterday.

MR MIRALIS: This is contemporaneous to the initial disclosure she was
40 employed on a part-time basis to Succuro - - -

ASSISTANT COMMISSIONER: Yes.

MR MIRALIS: - - - and what was conveyed to Ms Demiralay by her. I just want to focus on the initial disclosure to you that she was in fact employed by Succuro, do you understand that, Mr Demiralay?---Yes.

Okay. So she tells you - this is the evidence you gave yesterday, that she was being employed on a part-time basis by Succuro, is that correct?
---That's correct, yeah.

And she told you that it had nothing to do with Sydney University, is that correct?---That was my understanding.

10 And in fact you placed reliance on that representation to satisfy yourself that therefore there would be no perceived conflict of interest with your work -
?---Yes.

- - - and what she was doing at Succuro?---Yeah.

And the reason why this is important is because by the time she had started working at Succuro you were aware that Succuro had already placed contractors at Sydney University, is that correct?---Yes.

MR MORRIS: I object. That's not the evidence.

20 MR MIRALIS: But it is the evidence because by the time Ms Kantarzis had been employed by Succuro 2007 already through Peter Kostogiannis work had been given by Sydney University to Succuro so prior to her commencement with Succuro had already been provided to Sydney University independent of whether or not she was employed by Succuro, that's the evidence of Peter Kostogiannis and it's been the evidence supported by Mr Demiralay and all other witnesses from Sydney University who had any comment in relation to Succuro.

30 MR MORRIS: The first invoice appears to be February 2007.

ASSISTANT COMMISSIONER: Yes, that's right. Mr Kostogiannis I think was not entirely clear on the times. The documentary evidence seems to be to the contrary.

40 MR MIRALIS: The evidence of Mr Kostogiannis, Commissioner, was that he offered Ms Kantarzis employment at a time where he had already made contact with Mr Demiralay, after she was - at a time when she was employed at First Data she'd passed on her husband's details to him, he subsequently contacted Sydney University, had a conference with
Mr Demiralay and there was already work being provided by Succuro Recruitment to Sydney University at a time independent of Ms Kantarzis' -
- -

ASSISTANT COMMISSIONER: But there's still a problem with your question because you're trying to summarise what is quite a complicated factual scenario which you've just outlined into a simple scenario that suits the, the case that's trying to be built. I mean, you can't say to him and isn't

it true by then she'd already started because it's a lot more complicated than that.

MR MIRALIS: Yes.

ASSISTANT COMMISSIONER: It appears from what you've just said Mr Demiralay suggested to Mr Kostogiannis he, he could approach the Sydney Uni so there was already some connection between his wife and Mr Kostogiannis and the Uni so as I said, you can put leading questions but not that leading question.

MR MIRALIS: Yes, thank you, Commissioner.

Mr Demiralay, when you had this discussion with your wife in relation to her role at Succuro you in effect accepted her representations about what she said her role was at Succuro because of your relationship of trust as husband and wife?---Absolutely.

There was nothing in your knowledge that made you believe that in fact she wasn't a part-time employee of Succuro at the time that she told you, is that correct?---That's correct, why would I doubt her, yes.

And in fact the questions I was asking you earlier on would have confirmed your belief because you actually saw that she had a workstation in the house?---Ah hmm.

And during your daily interaction was there occasions when she told you what type of work she was performing for Succuro?---I can't really recollect, occasionally yeah, I'd walk into the kitchen and grab a cup of tea or something else and I'd walk up to see what she was doing and yeah, but that's - - -

Okay. In any event, you were of the belief and you accepted her representation that it was administrative in nature?---Yes, yes.

And that it had nothing to do with recruitment at Sydney University? ---That's correct.

You can categorically tell this Commission that you had no reason to doubt the truthfulness - - -

MR MORRIS: I object.

ASSISTANT COMMISSIONER: Mr Miralis, this is about the fifth time.

MR MIRALIS: Yes, okay.

ASSISTANT COMMISSIONER: Yes. We understand he says he had no reason to doubt.

MR MIRALIS: Thank you, Commissioner.

Now, Mr Demiralay, if I can just then move to 2008 when Mr Bill Mylonas becomes involved in Succuro, do you understand that?---Ah hmm, yeah.

10 Yesterday you also gave some evidence about becoming aware that he was in some form, shape or another becoming involved with that company?
---Yes.

And again, there was discussions between yourself and Virginia Kantarzis in relation to what she was presenting to you - - -?---Ah hmm.

- - - this creation of this company between herself and Bill would be about, do you recall that?---Yes, I do.

20 And in fact I think the evidence you gave was that she told you when you were presented with documents to sign that the documents had nothing to do with Succuro, do you agree with that?---Yes, that's correct.

And she presented to you that the documents had nothing to do with any involvement with Bill - - -

MR MORRIS: I object to that.

ASSISTANT COMMISSIONER: Sorry, that - - -

30 MR MORRIS: That wasn't the evidence, your Honour.

ASSISTANT COMMISSIONER: Yes. I'm sorry, Mr Miralis, that has not been the evidence.

MR MIRALIS: Commissioner, that was the evidence yesterday. The evidence was that he was presented with documents which were from the accountant which she asked him to sign at the locations of yellow slips.

40 ASSISTANT COMMISSIONER: Yes. You're putting to the witness that he gave evidence that his wife had actually said to him these have nothing to do with Succuro. That was not the evidence at all.

MR MORRIS: That wasn't the evidence.

MR MIRALIS: That in fact was the evidence from this witness.

ASSISTANT COMMISSIONER: Well, I'm sorry, I don't think it was. You said he didn't understand they had anything to do with Succuro. He did not say his wife said don't - these have nothing to do with Succuro.

MR MIRALIS: Commissioner, I think his evidence was that he relied on her representation that assurance from his wife specifically on that point.

WITNESS: I'm pretty sure that's what I said, Mr Miralis.

10 MR MIRALIS: And the witness has adopted it in the witness-box just now.

ASSISTANT COMMISSIONER: Well, that's not what he said to my memory.

MR MIRALIS: Well, Commissioner, if I can turn up the transcript - - -

MR MORRIS: Please do.

20 MR MIRALIS: Yes.

And I can just perhaps read onto the record the following question by my learned friend Mr Morris; "What was it to be called, Mr Demiralay? I, I don't know", and then this is your, Mr Demiralay, "At the time I did not know. The thing was told to me that it was supposed to be a completely separate business venture and it would have - would be separate to Succuro and that she was going to concentrate on her strengths from previous roles which were again in the service centre in the ITIL and training sector and that she was going to set this up." Do you recall giving that evidence yesterday?---Yes, I do.

30 Do you recall further saying the following; "I asked her what's this in regards to, she informed me that her accountant told her that this would be the best way to set this up and I, I stipulated again has this got anything to do with, with, with, with Succuro she said no." Do you recall giving that evidence?---Yes.

Do you stand by that evidence today?---Yes.

40 Thank you, Mr Demiralay. That's at line - commencing - if I could take, Commissioner, to page 607 commencing - - -

ASSISTANT COMMISSIONER: Yes, I can see that.

MR MIRALIS: - - - commencing at the beginning of the - that first major paragraph.

Now when you had that conversation with your wife you understood her to be representing to you that this new business venture that she was - been

engaged with Bill Mylonas had nothing to do with Succuro. Is that correct?---That was my understanding.

Yeah. And while she didn't read the documents you took her representation to be a truthful representation. Is that correct?---That's right.

And you accepted her word that it had nothing to do with Succuro and you signed the documents?---Yes, I - as I've said on many occasion, yes.

10 And that was the effect of the evidence yesterday wasn't it that you relied on her representations, your faith and trust in her to sign those documents - -
-

MR MORRIS: I object.

ASSISTANT COMMISSIONER: No. Look, I'm sorry. The effect of the evidence yesterday is a matter for me.

MR MIRALIS: Okay. But - I agree with that, Commissioner.
20

The words you used yourself yesterday were that you relied on your relationship as husband and wife and your trust in her to sign those documents?---That's correct.

Okay. Now and just move forward a little bit. In around the time that these documents were signed by you were you also aware that Ms Kantarzis had visited Mr Mylonas's accountant Mr Moustacas?---Yes, I believe I was, yes.

30 You had some discussion with Mr Kantarzis in relation to that?---Yeah. In passing she actually told me that she had met with her, her accountant.

Okay. If I suggested to you that she told you after that meeting with the accountant that she believed that she was about to enter a business with Bill Mylonas - - -?---Ah hmm.

- - - that had nothing to do with Succuro would you agree with that proposition?---Yes.

40 And if I suggest to you that she had a conversation with you in which she said to you after the meeting with the accountant that the business she was going to be involved with, with Bill had nothing to do with Sydney University would you agree that proposition?---Yes, yes, and I stated that over and over again.

Okay. And these are conversations that you had with her prior to I would suggest signing the documents - - -?---Correct.

- - - that she presented to you. Is that correct?---Correct, that's correct.

Now you have sat through these proceedings and you no doubt would be aware that on the 15 July, 2008 that was the day on which she attended the offices of Mr Moustacas?---Yeah, thereabouts, I'm not exactly sure of the dates.

Okay. Your baby daughter was born on the 19 July, 2008?---Yes, that date I do remember.

10

Some four days after that meeting she had with Mr Moustacas. Is that correct?---That's correct, yeah.

Okay. Now during this period of time whilst your wife was undergoing the IVF program were you in constant contact with Professor Michael Chapman?---Yes.

Who is he?---He, he is the principal at IVF Australia I believe and he was our doctor and obstetrician.

20

And did you have occasion to attend a number of appointments with Virginia Kantarzis and him?---Absolutely. She really wasn't in a state to, to go there by herself on most occasions.

I might just get you to speak up a little bit - - -?---Sorry.

- - - Mr Demiralay?---Sorry, I'm sorry. Yes, I did, I did attend on nearly every single occasion. On most occasions she did need my support and she wasn't - and some, on some occasions she wasn't really in a position to drive.

30

Okay. And these were meetings of, if you like appointments that were taking place throughout 2008?---Absolutely, yeah, yeah.

And - - -?---We tried on three occasions I believe, yeah.

Okay. Now she was - she was being, if you like she was receiving treatment from the professor at his surgeries in St George Private Hospital. Is that correct?---Yes.

40

And as part of the treatment is it the case that she was also being provided with synthetic hormones if you like?

ASSISTANT COMMISSIONER: Mr Miralis, can this evidence, if it has any relevance - - -

MR MIRALIS: Yes.

ASSISTANT COMMISSIONER: - - - not be adduced from your own client?

MR MIRALIS: Well, your Honour, it certainly will but I think it's relevant that this witness who is my client's husband be provided an opportunity to firstly confirm that it is the case so it's not only my client's evidence that's been adduced in relation to this but also more importantly his observations as to the type of treatment she was receiving and his recollection of the advice from the medical practitioner as to the potential consequences of this type of treatment medically speaking. So it is relevant because it will go to an issue which could not properly be put solely by my client in the absence of some type of corroboration from people who contemporaneously were either present with her at these meetings and could support what I suspect will be her evidence as to the treatment she was receiving and the, if you like possible medical side effects of that treatment.

ASSISTANT COMMISSIONER: Well, I, I, I know of no rule that her evidence about the medical treatment and its side effects requires corroboration.

20

MR MIRALIS: Well - - -

ASSISTANT COMMISSIONER: And this witness is not a medical expert, I don't know what probative value any evidence he could give about the treatment would have any more than the direct evidence from Ms Kantarzis.

MR MIRALIS: Well, he is not clearly giving evidence as a medical expert. He is highly qualified to give evidence as her husband and as a lay person about the observations he made based on the treatment that she was receiving with respect to her behaviour which would be consistent or inconsistent with what he understood was to be anticipated once this treatment commenced. So it's confined purely to his observations which he's uniquely qualified to express to the Commission because he was in a domestic relationship with her and these are - - -

30

ASSISTANT COMMISSIONER: What is the relevance of any of this?

MR MIRALIS: Well, it will become highly relevant, Commissioner because I have no doubt my learned friend who's already opened to the Commissioner on the premise that not only would the Commission find corruption but possibly criminal conduct and so therefore with that opening in mind we are entitled in my respectful submission to put properly before the Commission any material that will not only mitigate or undermine such a proposition if, if one is to be ultimately make submissions.

40

ASSISTANT COMMISSIONER: Yes. But you haven't suggested anything that would, that somebody being emotional and having mood

swings because they're on the IVF program, you're not suggesting that's some sort of defence to a criminal charge?

MR MIRALIS: Not, not, not for a moment but what is essential for this Commission to determine are the circumstances surrounding signatures put on documents which one would ordinarily expect to attract a certain degree of diligence on the person who's putting that signature on that document. Now that will be an important consideration.

10 ASSISTANT COMMISSIONER: It seems the person who's shown the least diligence is this witness. I don't - he wasn't on the IVF program.

MR MIRALIS: Well, I - I'm not - - -

ASSISTANT COMMISSIONER: I mean I just - - -

MR MIRALIS: - - - in a position to make any comment about that actually but, but - - -

20 ASSISTANT COMMISSIONER: I'm sorry, I just cannot begin to understand how his view of how his wife was affected by the programme would go to any of the issues you're raising.

MR MIRALIS: Well, well with respect it does, Commissioner, because if he, if he's able to give evidence of observations in change of behaviour and what he would regard as her typical approach and attendance to business affairs during the course of this treatment, that is directly on point. And if we are to (not transcribable)

30 ASSISTANT COMMISSIONER: Well look just ask him that. I don't, you can ask him something like that. I don't want to go into - - -

MR MIRALIS: I will ask him - - -

ASSISTANT COMMISSIONER: - - - the visits to the doctor and what the doctor said or anything of that nature.

MR MIRALIS: Thank you, Commissioner.

40 MR MORRIS: And preferably non-leading too, your Honour.

MR MIRALIS: Mr Demiralay, did you have an opportunity to observe any differences in the way that your wife typically performed her or tended to her affairs during the course of the IVF treatment?---Absolutely. I might not be a medical expert but I was the person that was administering the injections on a daily basis.

So you were administering injections?---I was actually administering - - -

ASSISTANT COMMISSIONER: Mr Demiralay, you've been asked about changes to your wife's, I don't know what you've really been asked - - -?

---Yes, yes, she, she - - -

- - - but could you answer the question?---Yes, constant change. Her moods would be up and down, temper, she, she'd go from being happy one minute to crying the next. She was all over the place.

10 MR MIRALIS: Okay. Is that the way that she would, in your experience ordinarily attend to her daily life or to her affairs?---No, of course not.

So was there a big difference between the way that she ordinarily was and while she was on this treatment programme?---A massive difference.

Okay. Now you were asked a number of questions about your opinion as to the appropriateness of your wife's remuneration relative to the work that she was doing yesterday. Do you recall being asked that by my learned counsel?---Yes, to some degree.

20 You understand from your knowledge of your wife's previous professional history that she had an extensive background in IT?---Yes.

And significant qualifications in IT?---Yes.

You would be aware that prior to resigning from First Data she was on a salary of \$140,000 per year or thereabouts?---I, I wasn't exactly sure of the sums but I knew it was, it was a decent salary, yes.

30 And if I suggested to you that a salary of approximately \$140,000 for someone with her level of experience and qualifications would be consistent with the market value, would you agree or disagree with that?---Oh, yes, I would, yes. Yes, I would.

You would agree with that proposition?---Yes, I would agree, yes.

Thank you Mr Demiralay. There's nothing further, Commissioner.

ASSISTANT COMMISSIONER: Thank you. Yes, Mr Gibson.

40 MR GIBSON: Thank you, Commissioner. Mr Demiralay, you've been asked a lot of questions, but some of them were about the processes of recruiting people Sydney University. I'm going to ask you some questions about that?---Ah hmm.

There was at least up until 2009 do you agree, a great deal of confusion about the determination or definition of internal versus external applicants? ---Yes, there was.

Particularly vis-à-vis contractors who are holding positions and whether they were to be considered internal or external applicants?---Yes.

I wonder if the witness can be shown Exhibit 52, which is volume 4. And if you could turn it to page 205. Is that a string of emails related to that topic?---Yep.

And the string of emails involves yourself?---Ah hmm.

10 Does it involve Mr Pigot?---Yes.

And does it end in a response from a Mr Harvey?---Yes.

Paul Harvey?---Ah hmm.

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

And who is he?---He was within the Human Resources section at the University.

20

And you understand – I think the date on, what's the date on those last email?---28 October.

2000 and?---2009, sorry.

So at the end of 2009 at least there is a great deal of confusion about defining internal contractors whether they're internal or external applicants?---Correct.

30 There was an attempt to clarify that by Mr Harvey?---Yes.

Was there – after this string of emails was there still sometimes confusion and difference in interpretation in this regard?---Yes, there actually was and I believe I met with Paul after this email and discussed it with him as well. Yes, but there was.

Now one of the people who's been – I've finished with that now, it can be returned. One of the contractors then full time employee that's been discussed is Mr Jankovic?---Yes.

40

And in relation to this topic or internal or external appointments that was very relevant to him wasn't it?---It was.

He had been appointed as a contractor - - -?---Ah hmm.

- - - to a position. Is that right?---Yes.

And had performed that role for about 18 months?---That's correct, yes. IT was something around that, that length.

And had you identified him as a high achiever?---Yes, absolutely.

And in fact was there a process whereby high achievers were to be identified within field services?---It wasn't just within field services, it was actually throughout service management.

10 Sorry, across the IT, ICT?---Yes. With all my peers and myself, yes, and all our teams.

And in relation to that process you gave some evidence yesterday about, I think you described them as offsite meetings or something similar to that? ---Yes, we did actually have planning meetings that were offsite.

And when you say we was that – you would hold the position of a manager?---Yes.

20 Did that involve your peers?---Yeah, it, it would have involved my peers and my manager.

People like Jenny Malapetsas, Steve Junor - - -?---Ian Brennan, yes, all of us.

And Mr Pigot?---Yes.

Did you have such a meeting in October 2009?---I believe so, yep.

30 All right. I just want to show you a document. Now is that a – firstly it sets – it's called ICT Service Management Leadership Offsite, October 2009? ---Correct. This was the - - -

Do you recognise that?---Yes, I do, yep.

And is it the agenda and some notes for discussion - - -?---Absolutely, yep.

- - - about ICT service management?---Correct. We actually had a few of these meetings.

40

And, sorry, did you just say you had a few of these meetings?---Yes, I believe we had, we had two, two to my recollection anyway.

All right. And if you turn to page 6?---Ah hmm.

Do you see there that are – there's some sort of chart - - -?---Yep.

- - - with a number of – well with all the names of people that work within ICT?---That's correct. They're, they're – at the time that would have been the majority of people that worked within service management.

And they have been divided up in different – four different categories as per performance?---That's right.

And vis-à-vis potential?---Ah hmm.

10 Can you see there one of the categories is listed as stars.---Ah hmm.

And Mr Jankovic is in that list?---That's correct.

I wonder if I, I don't – people to know what I'm talking about. I'm going to tender the document if the Commissioner pleases, I can do that now then give my friend a copy so they can follow what I'm talking about.

ASSISTANT COMMISSIONER: Sorry, where did these documents come from, what are these?

20

MR GIBSON: Well, I can clarify that.

ASSISTANT COMMISSIONER: Yes.

MR GIBSON: Do you know who generated these documents?---That would have been someone that actually reported, that assisted Mark Pigot to do that or I'm not sure, I'm not actually sure who did it but these are the meeting notes.

30 They're typed up, they're - - -?---That's right, yeah, and every single person that attended was actually given a copy they are our own personal notes from the meeting.

That was the sort of things you were provided prior to the meeting?---Yes, these are our discussion points at the meeting, this was what we were going to cover.

Well, who gave it to you?---I think Mr Pigot would have handed them out on the day, so I'm not really a hundred per cent sure.

40

ASSISTANT COMMISSIONER: So this copy is one you had yourself is it?---That's right, yes.

You had it at home or something.---(not transcribable)

MR GIBSON: (not transcribable)

ASSISTANT COMMISSIONER: I'm just after the provenance of it. Yes.

MR GIBSON: Did you do some searching at home and provide that to me on the 23rd of March?---Yes, I did, I was just cleaning up and going through drawers and I happened to come across it.

ASSISTANT COMMISSIONER: Yes, Mr Morris do you have any objection to this being tendered?

10 MR MORRIS: I would like to make some inquiries about the terms of the Section 22 Notice and when this actually, and whether this falls within the Section 22 Notice, it's not something we've seen before and we've never had notice of it until this morning until my friend started trying to lead the evidence about its provenance and what it sees.

ASSISTANT COMMISSIONER: Yes, Mr Gibson, it is normal in inquiries like this for all information to be provided to Counsel Assisting prior to it being led so - - -

20 MR GIBSON: I accept that your Honour. There's been no attempt, it's not an attempt to, it's not hugely controversial material.

ASSISTANT COMMISSIONER: That's true, it's not hugely controversial otherwise I'd be - - -

MR GIBSON: Given what's come from the other side of the bar table at various moments including this morning.

MR MORRIS: He's very cruel your Honour.

30 MR GIBSON: No, just (not transcribable) I tender the document.

ASSISTANT COMMISSIONER: Yes, look I'll accept the tender of the document. Exhibit 58.

#EXHIBIT 58 – BUNDLE OF MEETING MATERIALS PRODUCED BY MR DEMIRALAY

40 MR MORRIS: If we can have a copy and we'll have a look at it and let him know what our position is. Thank you Mr Gibson.

MR GOLLAN: For the record, might I reserve my position in that regard given that apparently my client has something to do with the provenance and I haven't had opportunity to take instructions in that regard.

ASSISTANT COMMISSIONER: Yes, thanks.

MR GIBSON: I didn't myself, Mr Gollan, I didn't wait until his appearance today to (not transcribable) the documents.

MR GOLLAN: (not transcribable)

MR GIBSON: I'll continue, we were on page six, do you have the - - -?
---No I don't actually.

I've got a - sorry.

10

ASSISTANT COMMISSIONER: That's fine.

MR GIBSON: A copy for you. We're on page six of the document.---Yes.

I was taking you to the fact that there's a list of stars.---Yes.

That the heading stars and Mr Jankovic is listed under that category.---
That's correct, yes.

20

ASSISTANT COMMISSIONER: Actually, I'm sorry, before you go on, I think in terms of what's discussed here and the way people are listed as problems et cetera I will make a suppression order in respect of Exhibit 58.

SUPPRESSION ORDER IN RESPECT OF EXHIBIT 58

MR GIBSON: I had that in mind Commissioner, I should have gone there first.

30

You see Mr Jankovic's name there?---Ah yes.

There's a C next to his name, does that indicate he's a contractor?---That's correct, yes.

And there are various other peoples- - -?---That's right.

- - -contractors within the document but - who had nominated him as a star?

40

---Well, the process that we actually undertook was to think about prior to the meeting and then it was a discussion point at the meeting between all managers and come up with a, um ,a list from that. So we actually had input into each other's staff.

So it would have been, so it would have been your first nomination so to speak?---That's right.

Because he was a member of your team?---Yes.

And then his performance was discussed at the meeting?---Well, that's right, we actually had to go into a bit of a spiel about why we thought these people were actually nominated or put on, put in whichever sector. This is just a standard IT industry process so that's what we were doing.

ASSISTANT COMMISSIONER: And did you nominated Mr Tsipidis as a star too?---Yes, he was definitely a star.

10 MR GIBSON: It was after this meeting that Mr Jankovic was appointed as a - - -?---I believe so yes.

And you faced that, if he was classified, it was internal only offer wasn't it, his position?---Um, I believe, I believe it, I can't recall whether it went internal or external at the end but I did express a lot of frustration around the time yes, I can't recall.

You, by that stage, frustrated with the approval process.---Yes.

20 And if in general terms about that recruitment process – if you submitted a request to hire or whatever name the document had at the relevant time. ---Yes.

You understand what I mean by that?---Yes.

It was a form you had to put in when you wanted to start the process of recruitment?---That's correct.

30 And even, and even for a simple position such as a CSO how long could that process take from the start to the finish?---It could take two to three months.

And the fact is that there was a period when ICT was expanding rapidly. ---Dramatically, yes.

I think when you started you had 17 people reporting to you.---That's correct.

And when you finished, there were close to 70.---That's right.

40 And you needed contract staff from time to time at short notice?---Yes.

And the reason you used contract staff was because of this expansion and you and your peers and managers were unsure about what the final makeup of ICT would be?---Yes, absolutely.

And it was difficult with such a long recruitment process to fill those positions in a timely manner?---That's right. If someone left they gave two weeks' notice but to recruit someone it could take two to three months.

And the effect of that was you, were often, the case were you left with positions unfilled?---Absolutely.

And was that to the detriment of the running of the ICT?---Yes, it had an impact.

And ultimately the detriment to the University?---Of course.

10 Now there are some questions yesterday about Mr Hunt.---Ah hmm.

Do you remember there was a placement fee paid by the University - - -?---Correct.

- - -in relation to his appointment?---Yes.

And you were involved in the approval process and in fact you completed a “waiver” form?---Yes, the quotation was provided to me, I filled it in and signed it, yes.

20

Did anybody from any department seek any clarification for you about the contractual relationship and how that fee arose?---Not that I can recall, no.

Did anyone that you report to seek any such clarification about the contractual arrangement?---As in report to, Mark and I would have probably discussed it but I don’t know to what detail.

30 And I think ultimately your evidence was that it was a standard industry practice to pay a placement fee to a recruitment agency who provided a full-time employee?---That’s correct, yes.

In relation to contractors you were also asked some questions about amounts they were paid?---Ah hmm.

And it’s the position, isn’t it, that contractors are, as a general proposition, paid more on a comparative rate than full-time employees?---Absolutely.

40 That takes into account the fact that they don’t get the benefits of full-time employees?---That’s correct.

Including I think you said 50, that’s five-zero, days’ sick leave?---Yes. If they’re sick they don’t get paid so most of them just tend to turn up.

So it’s unpaid sick leave?---Well, that’s right, yeah. No, no, that’s, I’m talking about the contractors not the full-time staff.

Oh, yes but the full-timers, at the University at least to your understanding was they had 50 days' paid sick leave?---Yes, I believe that's the standard across the University.

And of course the amount on a contract for a contractor isn't the amount that that individual receives?---No, correct, yes.

That's the amount that the agency receives?---That's right.

10 And they have some, whatever the arrangement is with the agency and the individual - - -?---That's right, that's a discussion that takes place between them.

- - - will determine what the individual receives?---That's right.

Now - - -

ASSISTANT COMMISSIONER: Excuse me, can I just ask something?
---Yes.

20

That seems to indicate that those people would be willing to work for a lot less because they're actually getting a lot less, they're getting - up to 40 per cent was going to the agency of what they were getting?---I have no understanding of what the - - -

Well, let's just assume that's correct. Wouldn't it have been a lot better just to hire them for what they were willing to get anyway without going through the agency?---As a, as a direct employment - - -

30 Yeah?--- - - - of a contractor?

Yes?---Well, I don't know how we could have actually facilitated that, Commissioner. We, we'd normally go, you know, it'd, we'd go through Sydney Recruitment, they'd actually, well, we'd contact agencies but we wouldn't actually directly advertise ourselves, no, that wasn't, that wasn't something that actually happened within the University that I'm aware of.

And as I understand it your answer to just employing them is that you didn't know whether the positions would continue so it was easier to use - - -?

40 ---That's right, yes.

- - - contractors?---Absolutely because then, then the, the, the contractor had the relationship with the staff member so Sydney University was hands off so we didn't actually have to worry about any taxation issues or leave or sick leave or anything else like that.

Yes. Yes, thank you.

MR GIBSON: And is it the case obviously there were people who would contract directly to the University?---Rarely, yes.

But that would involve the individual having their own ABN?---That's correct, yes.

And dealing with all their own taxation and superannuation - - -?---That's right.

10 - - - issues and the like?---Ah hmm.

And no one - I withdraw that. You as a manager operated a monetary budget?---Ah hmm.

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

And in conjunction with that you had - were allocated what I think you describe, have described as headcount?---Yes.

20 Does that mean that there were to your - you were responsible and given responsibility and ability to hire a set number of people?---Correct, and, and you really couldn't exceed that, that headcount limit, not without justification or approval.

Obviously there was interrelation between that headcount and your budget? ---Of course.

Because within your budget there were salaries?---Yes, that's all my budget was.

30 For the years ended 2009 and 2010 - - -?---Ah hmm.

- - - firstly I think there was some evidence yesterday on the amount of your budget?---Yeah.

40 Can you remember what it was in those years?---Oh, look, I can't, it, it actually, it actually changed. I think in 2010 it might be, it might have been 3.7 or thereabouts. I've actually got it written down somewhere but I can't recall off the top of my head. I know what I was under by but, but I don't know exactly what they, what they were.

Well, I'm going to get that but - - -?---Right. Okay I think it was about - - -

- - - it was a significant - - -?---Yeah, it was a significant amount, 3.75 and I think in, in - for that specific area in 2009 I think it was just under three.

And - well, the years we're talking about, the financial years ending (not transcribable), 30 June, 2009 and 30 June, 2010?---Yeah.

And you said you could tell us how much you were under, well, how much were you under budget for those years?---In 2010 I was actually under by \$400,000 and I think in - ah, that was 2010, in 2009 I think I was under by close to 290, \$290,000.

Is there then - I withdraw that. In relation to what you describe as headcount as the number - - -?---Ah hmm.

10 - - - of staff employed that you were responsible for - - -?---Ah hmm.

- - - had you fulfilled that number?---Ah, no, I was, I was definitely under across both years. In 2010 I was actually under headcount by, by, by four and in 2009 I believe it was three and during both those - well, I took, I took the headcount, I actually reduced the headcount as I went along as well.

20 So again, subject to the demands of the amount of, the work that was available you could have employed more people?---I could have but I actually looked to improve the, the process, the internal processes within the team rather than hiring more people if I could avoid it.

Which brings me to this point, when you started in 2006 can you describe in a general term without, without naming individuals - - -?---Ah hmm.

- - - the workforce that you inherited?---I actually had 17 people, one team leader in place and it was a very disorganised and there was no unity within the team, there was, there was no internal processes as far as I was concerned. The, the department was quite, was quite a mess.

30 And did you introduce, I'll call it reform, to your area?---Of course I did. I, I implemented many reforms as you probably could - if you remember from Mr Gary Liew's testimony the amount of work that people were doing was one job per day so it dramatically increased. Performance numbers actually went up, accountability went up and our customer base benefited from it.

We just, we just touched on the fact that you started in 2006 and I'll go back to there?---Ah hmm.

40 When you started - you were asked a lot of questions yesterday about Codes of Conduct - - -?---Yeah.

- - - the recruitment policies and the like?---Ah hmm, yeah.

And you were taken to a number of emails and letters where those documents were provided to you?---Yes.

Did you receive any formal, any formal induction process when you joined the University?---No, no, I didn't.

Have you ever in the time that you were there received any training, I mean formal training, attending seminars, sessions, meetings, about recruitment processes and procedures?---No, no, not in regards to anything that's been discussed here.

MS OAKLEY: Sorry I didn't hear the answer to that - - - ?

10 THE WITNESS: Not in regards to anything that's been discussed here, no.

MR GIBSON: Now I'm going to ask you some questions about Mr Mylonas and Succuro?---Yeah.

When you were at the University is it the case that you, you met Mr Mylonas there. That's right isn't it?---On a few occasions, yes.

20 When you say a few do you remember how many, is it one or two, five or six?---It could be, I don't know six. All up over four and a half, well, the time that he was actually there from whenever he took over to the time that I was - - -

When you met him were they - they weren't formal meetings, he would drop into the University?---Well, I believe so, I think on most occasions he was actually visiting people that were coming for his organisation. He tended to touch base with contractors that, that, that work for him.

30 He would come to the Uni to see people who's - I (not transcribable) to call them his contractors but people who come through Succuro?---Well, that's right, yeah.

And you would see him on those occasions?---Oh, well, yeah, if, if I ran into him or if I was at my desk, yeah, but that's about it.

Those meetings were informal and brief?---Yes.

You had some email exchanges with him over the - - -?---That's right.

- - - over the time you were employed?---Yeah.

40 Now putting aside the benefit that you would receive by having from an employee's worker (not transcribable) automatic, I don't want to - I want you to put that to one side but I'll ask you this, you never received - you never recruited staff with a view that you would receive any benefit financial or otherwise?---Absolutely, no.

And you never recruited staff with a view that your wife would receive any benefit financial or otherwise?---No.

You didn't have any agreement with Bill Mylonas or your wife or anyone else from Succuro that Succuro would receive any preferential treatment - - -?---Ah hmm.

- - - in relation to the recruitment of staff?---No.

10 You - if there were times that you did not follow the recruitment policies of the University do you agree that it's not your direct objective to deceive, say Mr Pigot or anyone else at the University?---Absolutely not and I - that was never my, never my intention. I just wanted to get the best type of people to, to work at the University.

20 Which you jumped ahead to my next question, is what was your objective? If there were you - there were times you did not follow the recruitment policy what was your direct objective if that happened?---It was to, to gain the best possible people for the University. It was to actually assist in, in what we needed to provide in a very chaotic every changing environment. I wanted to make sure that the best people were on board to support our clientele. The clientele numbers grew from two and a half thousand to nearly 18,000 by the time I left in the period of four and a half years. That's, that's incredible.

When you use the term clientele can you just tell us what that means?--- Clientele, they'd be people who have PCs, laptops, peripherals, et cetera across the University, they were our - the people that we supported basically (not transcribable) - - -

They were your customers?---They're, they're our customers, yes.

30 All right. I'm going to ask you some questions about your personal position and finances?---Yeah, yeah.

You live at the address and I think Mr Miralis, Commissioner, gave out the address. While I'm at it can I make a request that the address - there'd be a suppression order?

ASSISTANT COMMISSIONER: Yes. The home address of - - -

40 WITNESS: It's a bit too late for that because a few days - last time we were here it was - it wasn't actually suppressed.

MR GIBSON: Well, so better late than never.

ASSISTANT COMMISSIONER: Yes. I mean that's right. As far as I know it hasn't been published in newspapers or anything so, yes, I do suppress the home address of Mr Miralis.

**SUPPRESSION ORDER OF THE HOME ADDRESS OF MR
MIRALIS**

MR GIBSON: In any event, that you live in a home it's at - in a place called [REDACTED], that's in the Homebush area?---That's correct.

That's a two bedroom apartment?---Yes.
When did you buy it?---2002 I believe.

10

And do you remember how much you paid for it?---365 or thereabouts.

And do you still have a mortgage?---Yes, still has a mortgage owing on it.

And you owe money to the bank?---Yes.

Who pays that mortgage?---I do.

Right. You own a car?---Yes.

20

When did you buy it?---2003.

And is - did you buy it new?---No, second-hand.

It's a 2000 model, is that right?---That's correct.

Is it a nice car?---It is a nice car.

But you haven't bought a car since 2003?---No.

30

Would you describe your lifestyle as extravagant in any way?---Absolutely, no.

All right. You were married in 2006 and there's some evidence that you were away at the time. Were you overseas?---I was actually on my honeymoon when I was offered the job at Sydney University.

Have you had an overseas holiday since?---I believe just a short stint, a short holiday in Bali.

40

Was that - was it a week, two weeks?---A week.

A week in Bali?---Yeah.

Your salary at the University can you remember what it was when you started? We've got the documents if we need to turn to them but - - -?---I think - look I think it was about 103 or thereabouts, I'm not exactly sure. It was a lot less than my previous job.

In any event it was, it was about 100,000?---Yeah, about that.

And did that increase over the years due to increase in salary CPI (not transcribable)?---CPI and I believe there was one increase but I can't remember. I think it was in the vicinity of 3 or \$4000 other than just the normal CPI increases.

10 Okay. And from that income did you pay the mortgage out of the - you use your employ at Sydney University?---Yes.

That's your home. And other household expenses?---Correct.

You weren't under any undue financial pressure?---No.

Now the financial arrangements you had with your wife. You had a bank account?---Yes.

20 And she had a bank account?---Yes.

Your income went into your account?---That's right.

And from that account you paid the mortgage and all the household running expenses?---I paid just about everything, yes.

Did your wife have access to your bank account?---Online banking she does.

30 Do you have access to her bank account?---No.

Do you have a joint account?---No.

The money that she earned from Succuro was in your belief of 500 or \$600 a week?---Yeah.

Did you ever see any of that?---No.

Or have the use of it?---No.

40 When did you become aware that there was an investigation by ICAC into the University of Sydney and yourself?---I believe it was November 2010 I think.

And how did you become aware?---Well, I got a phone call from an investigator.

And was the general nature of the investigation explained to you in that phone call?---She told me in the phone call, yes. She actually discussed it

with other staff members at the University prior to discussing it with me. A team leader actually that reported to me.

All right?---Who actually spoke to a lot of other people within the University about the same thing.

So it had become some sort of topic of conversation - - -?---Yeah, absolutely.

10 - - - before you were formally advised?---That's, that's right, yes.

But in any event you received a phone call, you think it was November 2010?---I think, I think it was November, yes, something around that.

And did – and I just want to clarify with you did whoever it was that phoned you tell you the general nature of the investigation?---Yes, she did.

20 What did you understand at that time was the nature of the investigation?---I bet your pardon? Can I have that question again?

After you got the phone call what did you understand was being investigated?---Well she basically told me that it was my wife's involvement with Succuro and she, she covered a few other things like that, yeah. And I was, I was surprised.

Thank you, Commissioner. And can I return Exhibit 30A?

ASSISTANT COMMISSIONER: Yes.

30 MR MORRIS: Commissioner, there is one minor topic that arises out of Mr Gibson's examination which I'd like to explore because I believe it will clarify what appears to be some conflicting evidence between what was given yesterday and today.

ASSISTANT COMMISSIONER: Ah hmm.

40 MR MORRIS: Mr Demiralay, might the witness be shown Exhibit 52, which is volume 4, and page 205 of that document which Mr Gibson took you to?---Yes.

And this is – he took you to the Paul Harvey email - - -?---Ah hmm.

- - - about the ability of internal applicants, sorry of contractors to apply for internally advertised jobs. Do you recall that?---Right. Kind of yes.

Well he just asked you - - -?---Just now yes I do, yeah.

Yes. And this was the email that finally resolved that issue which said that internal applicants could not apply, sorry, contractors could not apply for internally advertised jobs. Correct?---Correct.

Yes. So from this point on the policy was crystallised. Correct?---Well, well I don't know if it was crystallised at this point. There was discussions actually taking place in here because even if you go back to the original email on 2008 it says I have just learnt that contractors are no longer eligible to apply for internal advertised positions.

10

No, but as I understand your evidence that you gave to Mr Gibson a little earlier, it was this email that clarified the situation for you?---Well it didn't. I actually - - -

MR GIBSON: And I object to that question.

ASSISTANT COMMISSIONER: Yes, I can - - -

MR GIBSON: I don't think that's - - -

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ASSISTANT COMMISSIONER: I don't think it was suggested that it clarified it.

MR GIBSON: No. In fact it was the opposite.

ASSISTANT COMMISSIONER: I think it was put forward as evidence there was, you know - - -

MR MORRIS: Oh, confused.

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ASSISTANT COMMISSIONER: - - - had been confusion.

MR GIBSON: Yes, that's right.

MR MORRIS: Oh I see. Well look I'll withdraw that. You knew – well you knew at that time that there was a question about it. Correct?---That's right, yep.

40

And if you go to the top of page 205 you sent that to Mr Tsipidis?---That's correct.

With a note, "FYI, please do not circulate or discuss with anyone"?---That's correct.

Why did you want to inform him?---Because he was in the process of recruiting staff so it was more in line with what he was doing. I wanted to inform him about it and like I said earlier on, I actually had a discussion with Mr Harvey about this just so I can get more clarification. Because if

this information got into the hands of our, of our teams it could have actually done a lot of damage, that's why I asked him not to discuss it with anyone.

Okay. It's not because Mr Tshipidis was then an incumbent for the position in the field services management role?---Absolutely not.

So if we go to Exhibit 2, which is volume 3, page 27.

10 MR GIBSON: Which page did you say?

MR MORRIS: Page 27, Mr Gibson.

MR GIBSON: Thank you.

MR MORRIS: Actually go to page 26, this is the request to appoint for Mr Tshipidis. Do you agree with that?---Yes.

20 All right. We go to page 27?---Yep.

Do you see you signed it on the bottom on 24 September, 2009?---Yes.

And Mr Pigot didn't sign it until 9 October, 2009?---Yep.

All right. It wasn't because this was a matter which directly affected Mr Tshipidis' ability to apply, to apply for the job?---No, because it was actually signed on 24 September, so that's when I would have signed off and passed it on. And the email that you're referring to, 28 October.

30 I understand that. But this was an issue that was brewing up at about that time. Do you agree?---It was after that time.

I see. So - - -?---I had no knowledge about it until that email came through and that email chain came through prior to that.

Okay. Well that's what I wanted to clarify?---Yep, no.

Thank you.

40 MR McILWAINE: Commissioner, can I just raise – are we likely to finish today or if we don't will we return tomorrow or (not transcribable)?

ASSISTANT COMMISSIONER: I believe we are likely to finish today.

MR MORRIS: I'm happy to sit on if we can.

ASSISTANT COMMISSIONER: That's certainly the intention. Don't laugh. So all right, now we've finished with Mr Demiralay I take it.

MR MORRIS: Just subject to making an inquiry about that section 22 notice, but as Mr Gibson has quite reasonably pointed out there doesn't seem to be too much that's particularly contentious.

ASSISTANT COMMISSIONER: No.

MS OAKLEY: Can I just clarify that the, the people who I referred to in that Exhibit, the names have been suppressed.

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ASSISTANT COMMISSIONER: Yes, the entire Exhibit has been suppressed at this time because of its contents.

MS OAKLEY: Thank you. Thank you.

ASSISTANT COMMISSIONER: Yes, well I suppose I should stand Mr Demiralay down in case he has to be recalled, but unless he hears – I will then excuse him at the end of the day.

20 MR MORRIS: Yes, I will make application for him to be excused.

ASSISTANT COMMISSIONER: Yes. Yes, at this time you may stand down Mr Demiralay?---Thank you.

And we will resume at 2 o'clock. Thank you.

THE WITNESS STOOD DOWN [1:07pm]

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LUNCHEON ADJOURNMENT [1:07pm]