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INDEPENDENT COMMISSION AGAINST CORRUPTION

THERESA HAMILTON ASSISTANT COMMISSIONER

PUBLIC HEARING

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY, 25 SEPTEMBER, 2012

AT 10.02AM

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

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

ASSISTANT COMMISSIONER: Thank you, please be seated. Mr Franjeh, you are still under oath and your section 38 declaration continues to apply.

<RAMSEY PHILIPPE FRANJIEH, on former oath [10.02am]

10 MR DOWNING: Commissioner, before we complete Mr Franjeh's evidence there's just a couple of housekeeping matters I'd like to attend to if I could. There is a witness who has provided a statement, Mr Leighton, formerly an employee of Mr Franjeh's at Rega Controls. His statement is dated 27 July, 2012 and I understand it has been distributed to the parties. No one has indicated that he is required for or seeks to cross-examine him and I certainly intend just to tender his statement at this point so if I could do that now, so it's Mr James Robert Leighton of 27, statement of 27 July, 2012, two copies.

20 ASSISTANT COMMISSIONER: Yes. Mr Leighton's statement will be Exhibit 8.

#EXHIBIT 8 - STATEMENT OF JAMES LEIGHTON DATED 27 JULY 2012

30 MR DOWNING: And Commissioner, two of the witnesses who are due to give oral evidence later today are Mr Chelliah and Mr J Jurgeleit. They have previously attended and given evidence as part of the compulsory examination and I was intending that in the course of their evidence I would tender the transcripts of that compulsory examinations so for the purposes of their examinations today I would seek that there be a variation to the section 112 orders made in respect of both of them so that they can be now made available and the suppression order could be lifted.

40 ASSISTANT COMMISSIONER: Yes. In relation to the compulsory examination transcripts of Mr Chelliah and Mr Jurgeleit I remove the non-publication order and allow them to be distributed to legal representatives.

IN RELATION TO THE COMPULSORY EXAMINATION TRANSCRIPTS OF MR CHELLIAH AND MR JURGELEIT THE NON-PUBLICATION ORDERS ARE REMOVED AND DISTRIBUTION TO LEGAL REPRESENTATIVES IS PERMITTED.

MR DOWNING: And we will now distribute those transcripts to the parties. I should indicate that with Mr Jurgeleit there are actually two, there was one of 15 June, 2012 and one of 4 July, 2012. Thank you, Commissioner.

ASSISTANT COMMISSIONER: Thank you.

MR DOWNING: I'm told that the first of the transcripts in respect of Mr Jurgeleit of 15 June is being obtained now and it will be distributed shortly,
10 then we could perhaps return to Mr Franjieh.

ASSISTANT COMMISSIONER: Yes.

MR DOWNING: Mr Franjieh, you recall in the course of your evidence yesterday, I asked you a number of questions about some deposits which appear in Mr Faysal's records of cheques from you on 1 December 2006 and 31 May 2007?---Yes.

And your evidence yesterday was that doing your best you couldn't recall
20 providing money at those times?---I couldn't recall at all until I went to my records yesterday, and now I recall I paid this amount.

All right. Well could I ask you to have a look at a document, thank you. Do you see that document?---Yes.

And is that an ANZ bank statement or an excerpt of a statement from an account for Rega Controls?---I would, I would believe so, yes.

And do you see on 1 December there is a number 1534 and it shows a debit
30 amount of \$4500?---Yes.

If I could ask you to have a look again at page 810 in the second volume of the exhibits?---Ah hmm. 810, yes.

Okay?---Yes.

Do you see that that's a record of the deposit on 1 December 2006?---Yes.

Of 4500 showing cheque drawer Rega Controls?---Yes.
40

See that?---I have them here on my cheque - - -

You actually have the original cheque butt?---I went to the original 1534 yesterday and I found out that I really made it and I'm sorry for that.

Is that - - - ?---I'm sorry for that, I just make my mind.

All right. Is that the cheque butt for cheque 1534?---Yes.

Which corresponds with the number on page 810?---Yes.

Sorry, I'm referring to the document on the screen in front of you, the record there?---1534, yes.

And that's also consistent with the cheque number showing on your bank statement?---Yes.

- 10 If I could tender at that point the exert from the bank statement, entering also the cheque butt that Mr Franjieh has brought in?

ASSISTANT COMMISSIONER: Yes, well they'll be Exhibit 9.

**#EXHIBIT 9 - EXCERPT FROM ANZ BANK STATEMENT 10
NOVEMBER TO 8 DECEMBER 2006 AND CHEQUE BUTT**

- 20 MR DOWNING: If we could perhaps have the cheque butt now we can make copies now and distribute amongst the party.

ASSISTANT COMMISSIONER: Yes, keep a copy.

MR DOWNING: And sorry Commissioner was that Exhibit 9 for the two?
---Can I give you both?

ASSISTANT COMMISSIONER: Yes, I'll make both of them Exhibit 9.

- 30 MR DOWNING: Yes.

ASSISTANT COMMISSIONER: I'll make the exhibit the copy of the cheque butt?---Yes.

MR DOWNING: Now the other payment that I asked you about yesterday that you didn't have a recollection of was the payment on 31 May 2007. Do you recall that?---Yes.

- 40 And if I could ask that you have a look at page 811 in the exhibits folder, it should appear on the screen?---Yep.

And you see that that's a payment of 4120?---Yes.

On, according to the record, 31 May 2007?---Yes.

With the cheque number 1676?---That's right.

I ask you now to have a look at another excerpt from the bank statement from ANZ for Rega Controls?---Yep. Yep.

And do you see there that on that date there is a record of a debit with a number 1676?---Yes.

In the amount of \$4120?---Yes.

10 And that corresponds, doesn't it, with the cheque number shown on the St George deposit record in Mr Faysal's banking records?---Yes.

And do you have a cheque butt for that as well?---Yes, I gave them, they are both of them there.

Are they in one book or two books?---Two books.

20 Could I, at that point, Commissioner, tender the excerpt from the ANZ bank statement for Rega Controls for May, June 2007 and also the chequebook, cheque butt, sorry?

ASSISTANT COMMISSIONER: Yes. Well, the extract from the bank statement a copy of the cheque butt will be Exhibit 10.

**#EXHIBIT 10 - EXCERPT FROM ANZ BANK STATEMENT 10
MAY TO 8 JUNE 2007 AND CHEQUE BUTT**

30 MR DOWNING: And consistent with what we've indicated previously, we will distribute copies after they have been made of the two cheque butts.

Having looked at your own banking records overnight, that is the chequebook - - -?---I just looked at the chequebook this morning, early morning.

- - - and now seeing this document, does that refresh your memory that you did in fact make payments to Mr Faysal - - -?---Yes, I - - -

40 - - - on those occasions in December 2006 and May 2007?---Yeah, I made payments.

And are you able to, does it refresh your memory at all as to the circumstances in which the, the money was requested?---No. The same thing, he would ask for a cheque, money, and I'll pay him.

And is it the best of your recollection that he nominated the amount that he wanted?---Yes, if Nabil wants something you have to give it to him basically.

And is your evidence that consistent with what you told us yesterday that you paid the money because you in effect wanted to keep Mr Faysal happy because he was in a position where you understand that he could influence the work?---Yeah, he was giving work, he was giving work to us, he was very influential and he was, to make sure to give us work, consistent work there and push for it.

10 Now, late yesterday you heard some telephone conversations which you identified as being between yourself and Mr Faysal?---Yes.

And it was a particular telephone conversation on 12 March, 2012?---Yes.

And you recall yesterday that when I asked you some questions you agreed that in the course of that call what Mr Faysal did was gave you some information about prices that had been submitted by particular companies - - -?---Yes.

20 - - - tendering for work?---Yes.

Which, and you acknowledged that that was confidential information that he was providing to you?---Yes, yes.

And he also, you agreed with me yesterday, in the course of that phone call indicated to you that there were things he believed he could do to assist in ensuring that Rega would get work in respect of the particular job that you were discussing?---Yes, he was guiding us to do so, yes.

30 Now, can I ask, that was a particular conversation you had on 12 March, 2012?---Yes.

In the years previously that you've been doing work at UTS - - -?---Yes.

- - - and where you've dealt with Mr Faysal, have you had similar conversations with him where he would tell you about particular contract prices that had been submitted on tenders or quotes?---He would say the price is high. I can't recall a definite incident but he would guide me how to get work there, yes.

40 Can you recall phone calls prior to this one in your dealings with Mr Faysal where he told you about the prices that other companies had put in as part of their quotes or tenders?---I can't recall in particular but he was guiding me in every way, he was.

Sorry?---He was guiding me in getting work in UTS.

To the best of your recollection was this discussion on 12 March not the first type of discussion you'd had of a similar subject matter?---It's not the first, there was more of them.

And there were prior discussions in relation to how you might, how Mr Faysal might assist you in obtaining work?---Yes.

Are you able to say, and I know you've done work at UTS over a fairly lengthy period - - -?---Yes.

10

- - - how many times are we talking about? Are we talking about two or three times or more than that?---It could be more than that.

Doing your best, how many times do you think in the course of your dealings with Mr Faysal whilst you were doing work at UTS, how many times do you think you'd had discussions where he gave you information like in the phone call of 12 March, 2012?---I can't remember exactly, I'd be lying but he would give me guidance and information how to win work there and he will guide me as well and will, yeah.

20

Was it a fairly common occurrence in respect of jobs where you putting in quotes?---Not in the beginning but later it become like a common occurrence, yes.

And when you say later are you talking about from what time, perhaps 2007, 2008?---Something like this, yes, yes.

Now, Mr Franjieh, before you gave your evidence yesterday you did come before the Commission on 13 June, 2012?---Yes.

30

And you gave some evidence at that time as part of the compulsory examination?---Yes.

And it's correct, isn't it, that at that time you were asked questions about the particular invoices from NA & CW Investments that you had - - -?---Yes.

- - - received and the moneys that you'd paid to Mr Faysal's company? ---Yes.

40

And at that point when you gave evidence on 13 June, 2012 what you said was that those were genuine payments that were made in respect of work that was actually done, that is engineering work that was done for you by Mr Faysal?---Yes, I said that.

And you said that also the corporate gift items referred to in some of the invoices which you paid- - -?---Yes.

- - -was material that you actually received?---I said that, yeah. Sorry, the Commissioner before I left, she said um, I want to go think what you said in this context and come back later and (not transcribable) remember that. And I'm sorry for that.

And it's the case isn't it that after giving that evidence on 13 June you did reflect on what had occurred and what evidence you'd given?---I reflect, yeah, on it and later on once I have my lawyers they spoke to me.

10 And it's the case isn't it that yesterday you signed a statement which you provided to the Commission- - -?---Yes.

- - -correcting certain parts of your evidence- - -?---Yes.

- - -on 13 June, 2012?---Yes.

If I could ask you to have a look at this document?---Yes.

Is that the statement you prepared and signed yesterday?---Yes.

20

And in that statement you indicate that parts of your evidence in respect of your dealings with Mr Faysal wasn't true evidence?---Yes.

And you indicate in that statement that the payments that were made were not genuine but were made to look genuine through the cover of the invoices?---Yes.

And paragraphs 33 to 37 of your statement you've set out some explanation for why you lied to the Commission on 13 June, 2012?---Yes.

30

And is the position that at that point you were concerned and scared about being prosecuted- - -?---Yes.

- - -because you understood and knew that you'd done – your dealings with Mr Faysal and the payments to him were not- - -

MR STITZ: I object. Could the witness give the evidence or is Mr Counsel Assisting going to give the evidence, Commissioner?

40 ASSISTANT COMMISSIONER: Well, leading is allowed in this forum. He's only repeating what's in the witness's statement. Is that right?

MR DOWNING: The statement says as much as I needed to say.

ASSISTANT COMMISSIONER: Yes.

MR DOWNING: I won't press it any further Commissioner. At this point I tender the transcript – or first of all I seek a variation of the order in respect

of the compulsory examination and tender the transcript of it and also tender the statement 24 September, 2012.

ASSISTANT COMMISSIONER: Yes, well I remove the non-publication order on the transcript of Mr Franjieh's compulsory examination and that will be Exhibit 11.

10 **THE NON-PUBLICATION ORDER ON THE TRANSCRIPT OF MR FRANJIEH'S COMPULSORY EXAMINATION IS REMOVED**

#EXHIBIT 11 - COMPULSORY EXAMINATION TRANSCRIPT OF RAMSEY FRANJIEH DATED 13 JUNE 2012

ASSISTANT COMMISSIONER: And his statement dated 24 September, 2012, will be Exhibit 12.

20

#EXHIBIT 12 - STATEMENT OF RAMSEY FRANJIEH DATED 24 SEPTEMBER 2012

MR DOWNING: That's the compulsory examination transcript. Mr Franjieh, can I ask you, had you ever, have you ever had a meeting or a discussion with Mr Faysal and a Mr Hood in relation to payments that you or Mr Hood might have made to Mr Faysal?---I don't remember that.

30 Do you know a Mr Hood, a builder that does work for- -?---Yeah, I know Hood, I met him a few times.

And to the best of your recollection have you ever had a discussion about the invoices that you've paid and invoices that Mr Hood's paid?---I paid, sorry, can you repeat that?

Have you ever had a meeting with Mr Hood where you've discussed the invoices that you and he were paying to Mr Faysal, do you recall?---No, no, not with Mr Hood, no, sorry.

40

So you're unaware of what invoices Mr Hood might have paid through his company to Mr Faysal?---Hmm, not really.

Doing your best, have you ever had a discussion with Mr Hood about those matters?---No, not with, no.

Have you ever spoken to Mr Faysal about the invoices, that is your invoices and Mr Hood's invoices, the NA & CW Investments invoices?---Yeah.

And whether - - -?---In the beginning there was discussion that some of these invoices are not mine, and when ICAC originally summoned Mr Faysal or, you know? And, Mr Faysal was telling me that oh this is not yours this is Wayne's invoices, so you don't have to worry about it or something.

Yeah. Just stopping at that point, was this discussion during the meeting that you described - - - ?---Yes.

10

- - - where Mr Faysal came to your office?---Yeah, one of them, yeah, yes.

And did Mr Faysal have with him invoices from - - - ?---No.

- - - Mr Hood?---Never.

20

Well what was the nature of the discussion then about some of the invoices are not yours, they are for Mr Hood?---Can't recall exactly but he was saying the only invoices you have is these ones which is the 35,000. And I said I don't have any others and he said maybe you have some others. And I looked at my records, I said no I don't have any, and he said this must be Hood invoices, Wayne Hood invoices, not yours.

But did you ever see any invoices to Mr Hood?---No. I saw them here when she gave me this.

30

Did Mr Faysal say anything about whether the invoices to Mr Hood were genuine or not?---Never mentioned this if it's genuine or not. Sorry, maybe he was saying they were genuine, he, for work he did for Mr Hood, but I can't exactly be sure.

Mr Franjieh, can I ask you in relation to the time where you did work at UTS - - -?---Yes.

- - - did you ever have any information from anyone at UTS about any policies or procedures that existed there in relation to matters like conflict of interest?---No.

40

And do you know what I mean by conflict of interest?---Yes.

So you had no communications or information about that?---No.

Did you ever have any information from anyone at UTS in respect of matters like procurement requirements in the way in which procurement was done?---No.

Or policies or procedures that applied to procurement?---No.

I take it you had some knowledge about procurement in the sense that you would submit quotes?---Yes.

And you had some idea of how the quotes were then reviewed and a decision would be made about who would get the contract?---Yes.

But in terms of the actual rules as to how procurement should take place, you had no information?---No.

10 What about any information from people at UTS in respect of whether it was acceptable or not acceptable for staff to accept gifts or benefits?
---Nobody told me anything about it.

So you had no information from UTS?---No.

I take it from what you told us yesterday though that you understood that providing money to someone who was an employee - - -?---Wrong.

- - - was wrong - - -?---Yes.

20

- - - where it was for nothing?---Yes.

Or nothing other than as you've told us - - - ?---Yes.

- - - keeping the person happy?---Yes.

Did you have any information from anyone at UTS in respect of whether there were policies or procedures at UTS in respect of outside work being done by staff members?---No, no.

30

So no information at all in the time that you did work at UTS?---Nobody had gave me any information about it. I work with New South Wales Uni where the person made it clear to me while having a coffee, he said no you buy your own coffee, I'll buy my own coffee, and these are the policies. New South Wales Uni, sorry, I was working with New South Wales Uni, went to have coffee and the, the person from the New South Wales made sure that you buy your own, I'll buy my own, and these are the policies. And he told me that, I remember for New South Wales Uni, but UTS, nobody has given me any indication.

40

That's the examination finished.

ASSISTANT COMMISSIONER: Thank you, yes.

MR STITZ: I would like to cross examine this gentleman, Commissioner, but I'd like an opportunity to read his transcript from the compulsory hearing and his statement.

ASSISTANT COMMISSIONER: Yes. Does anyone else seek to cross examine this witness? Well, what do you want to read?

MR STITZ: I want to read his compulsory examination transcript and I want to read his statement.

ASSISTANT COMMISSIONER: Well the statement seems to just repeat information he's now given in evidence about the invoices and trips etcetera.

10

MR STITZ: Well I assume it relates to this inquiry, yes, but I feel I haven't been given the opportunity of reading what he said at the compulsory hearing as opposed to it being handed to me at the bar table and me being expected to stand on my feet and cross examine this witness. It is obviously of significant importance to the interests of my client.

ASSISTANT COMMISSIONER: Well I just think it's a very short statement. Would it be suitable if we take an early morning tea break?

20

MR STITZ: It would probably not take me as long as the technical hitch that held us up yesterday to read it, Commissioner.

ASSISTANT COMMISSIONER: That's very good to hear. So we'll adjourn for 15 minutes at this time.

MR STITZ: Thank you.

SHORT ADJOURNMENT

[10.25am]

30

ASSISTANT COMMISSIONER: Thank you. Please be seated. Yes, Mr Stitz?

MR STITZ: Thank you, Commissioner. Mr Franjieh, you attended a compulsory hearing on 13 June this year?---Yes.

And you took an oath on the Bible, didn't you?---Yes.

40

And you didn't take that very seriously, did you?---(No Audible Reply)

MR DOYLE: I object to the question. He's going to have to be a bit more clear what he meant by that.

MR STITZ: Having taken an oath on the Bible on 13 June, you now tell the Commissioner on that occasion you lied?---That's what I said, yes.

You took an oath on the Bible yesterday?---Yes.

And you lied?---No, I didn't lie.

So suddenly now you're telling the truth whereas on 13 June you were telling lies. Is that the case?---I was under pressure, I not tell the truth last time and since then I had a soul search and I prayed, went to church.

So having lied under oath you went to church and prayed and you had a change of heart. Is that what you say?---(No Audible Reply)

10

Is that what you say?---I'm saying the truth now.

I see?---I'm telling the truth now.

Could I have access to Exhibits 9 and 10, please, Commissioner?

ASSISTANT COMMISSIONER: Yes.

MR STITZ: I also want the butts, cheque butts, please.

20

ASSISTANT COMMISSIONER: Oh, the cheque butts, yes, they're part of the exhibit too. Do we have the copies of the cheque butts yet?

MR STITZ: No, I want the actual butts. Could the witness please- - -

ASSISTANT COMMISSIONER: Would you mind producing the chequebooks again, please.

30

MR STITZ: Commissioner, I can indicate for the record I've got the two cheque butts.

ASSISTANT COMMISSIONER: Yes.

MR STITZ: Mr Franjeh, your habit is to write your own cheques. Is that right?---Yes.

And that's from your company Rega Controls Propriety Limited?---Yes.

40

And what I'm holding are the company cheque butts?---Ah hmm. Yes.

And it is your habit, is it not, that when you write a cheque, for instance I'm looking at one dated the, cheque butt dated 20/11/06 payee Bruce Ellis, it appears, or - - -?---Electrical.

Sorry, Bruce Electrical?---Yeah.

And on the butt you've got the amount of \$1358.50?---Yes.

And in this case this is cheque number 1531 I take it, from there?---Yes.

And is it your habit as part of your business record keeping to write on the back of the cheque butt what the payment relates to?---The description on the, on the, on the invoice, yes.

Yeah. And in this case Liverpool Shopping Centre in the amount of 1358.50 and below that Bruce Electrical. Do you see that?---Yeah.

10 That's your typical habit?---I write the description, yes.

Yeah?---Or the allocated for the job, job allocation.

Yeah?---I write.

Good. Now also on 20/11/06 cheque number 1532 payee Vodafone amount 305.94?---Yeah.

20 And on the back, so you've just written Vodafone with the amount 305.94?--Okay.

Without allocating to any particular job?---Because this is not a job related.

That's just your mobile account, is it?---Yeah but if I don't, if I allocate for a job, the payment for the job I write at the back allocated for a job.

30 Yeah?---I did not allocate this for a job. If I have an invoice and at that time the habit was, then I change my habit, if I have an invoice and I want to allocate it for a job I write at the butt of it allocate it for a job, that's what I do.

Yeah. But you can't, you're not going to split up your phone bill amongst all of your jobs, it's impossible, is it not?---That's right.

So you only write down Vodafone?---Yes.

Rather than try and allocate it to a particular job?---Sure.

40 And in fact again on 20/11/06 payee Telstra, cheque in the amount of \$70.36, this is cheque number 1533, you didn't write anything on the back of it?---No.

And also on 20/11/06 cheque number 1534 payee NA & CW Investment - - -?---Yes.

- - - Propriety Limited, \$4500?---Yes.

And you wrote on the back of it?---Sorry?

You wrote on the back of it?---Yeah, I allocate it for a job then.

Yeah?---So I allocate this payment for a job.

Yeah. And in this case Nabil, \$4500, CO sensor work, Liverpool Shopping Centre?---That description's on whatever the cheque was or the allocation for, yes.

10 Because that's what was the invoice, wasn't it?---I don't believe I received an invoice.

I'm sorry?---I don't believe, I don't have recollection I have receive an invoice on this.

Oh, you don't have a recollection of receiving it?---I don't, no.

20 You don't know?---This is what I've written on the cheque, I can't remember seven years ago or five, six years ago but I, definitely I look at it for a job.

Yeah. You're not saying you didn't get an invoice, are you, you're just saying you don't recall?---I don't remember getting an invoice, I don't have it.

You are not saying I did not get an invoice are you?---That's right.

30 Pardon me a moment, please, Commissioner. Now, it is the case, is it not, Mr Franjeh, that in your dealings with Mr Faysal and your interactions with him whilst he was at the University of Technology you were aware that he used to do outside work, weren't you?---He told me later on so, he told me so.

Your understanding was that he did outside work?---That's what he told me but - - -

So your understanding was that he did outside work?---Yes, yes.

40 Thank you. On 13 June, at your compulsory examination you were asked this, "Now, Mr Franjeh", and this is at page 71, Commissioner, at about point eight, you were asked this, "Now, Mr Franjeh, had there been any dealings between yourself and Mr Faysal outside of the University" and you responded, "He did some work for us in 2007." Now, that was true, wasn't it?---No.

That was a lie?---Yes.

Now, I want to suggest to you, sir, that he did in fact do outside work for you, are you going to agree or disagree with that proposition?---(No Audible Reply)

Do you agree or disagree with that proposition?---He didn't do the invoices that he sent me, he didn't do any work for me, there was a lot of talk about work in general, in general talk but there was no work being done.

10 I'll put this proposition to you, sir, and it might make things a bit quicker.
The invoices that were created bore no resemblance to the work that he did for you?---Sorry, say that again. The - - -

The invoices that were created bore no resemblance to the work that he did for you?---What's that mean?

ASSISTANT COMMISSIONER: Well, I - - -

MR DOWNING: I object.

20 ASSISTANT COMMISSIONER: It's confusing. The witness has said he did no work.

MR STITZ: All right.

ASSISTANT COMMISSIONER: I don't see how he can be expected to answer that question.

MR STITZ: Okay?---I'm not a lawyer and I don't, I don't master the language, please.
30

ASSISTANT COMMISSIONER: I mean, Mr Stitz, if you want to put that, in my view you should put it to him directly if what you're saying is he did work for you but not the work described in those invoices.

MR STITZ: Yeah, I'll come to it, Commissioner, I'm just backtracking. Can I suggest to you, sir, that I've already put the proposition that he did work for you and you disagree with that proposition. I'm now going to suggest to you that the type of work that he did for you was the following. We have drawings from the mechanical contractors and we are supposed to
40 locate the carbon, carbon dioxide sensors in rooms. Now, we are control people, we are not really mechanical, and a code we cannot understand so we ask him to come in here and help us because he's mechanical to see how many CO sensor did we need and where we need them. He went in and marked them I think and mark it and went to the jobsite for a site visit and helped us in putting these sensors in at the time.

MR DOWNING: Commissioner, I object. It really needs to have some context. I understand we're reading from the compulsory examination but

we should in fairness to the witness at least identify what job what year we're talking about.

MR STITZ: Well, in view of his denials, how's that, how's that going to help him?

ASSISTANT COMMISSIONER: Well, I don't see how it helps to put it to him at all in those circumstances. I mean if you want to put to him what actually happened on your instructions then I think you should put it to him.

10

MR STITZ: Sir, is that the type of work that Mr Faysal did for you?---No, he didn't. He gave me the Australian Standard 1668 point 2 and was a little bit of discussion in general about work but he did not do these works.

You recall the occasion on which he gave you the Australian Standard, do you?---Yeah, I recall that, a copy of the Australian Standard.

20

And do you remember the context in which he gave it to you?---I don't remember, no. Could be before, could be after, could be, I don't know when.

Well, you're saying this is the only time he ever did anything for you outside of the University, he gave you a copy of the Australian Standard. Correct?---And there was some talk but not real work, no work.

30

So the only time he ever did anything for you outside the University is giving you a copy of the Australian Standard?---And there was some talk, maybe technical talk, maybe help us in the University work and general, sorry, there was something he helped, sorry, when we are doing building 1, the big tower in, in UTS, we were putting (not transcribable) and dual ducted (not transcribable) and he help us at that time select the boxes 'cause he's mechanical.

ASSISTANT COMMISSIONER: Yes, but he was being paid by the Uni to help you with Uni work?---That's, that's what I'm saying.

40

Well, that's not, Mr Stitz is trying to ask you about other work other than the UTS work that he was already being paid to do. He wants to ask you about outside work?---I don't remember any outside work at all he did for me.

MR STITZ: I see. Well, he gave you a hand with the Liverpool Shopping Centre, didn't he?---No.

The Westfield at Liverpool?---He never been there, he never gave me hand.

I see. And in respect of the Westfield Shopping Centre at Liverpool, I suggest to you, sir, sorry, I put it to you that you did – he did do work for you there?---He didn't.

And the type of work that he did was this. Page 78, Commissioner.

10 The core value of it is there's natural ventilated car park and the client said you have to put CO sensor, and I said we. The code doesn't say we have to put CO sensors so we can save this money, and on other floors he said you have to put CO sensors and I said no, it's naturally ventilated. But Mr Faysal came in and he said even though it's naturally ventilated totally, the car park totally, but if there's an exhaust in it and blah, blah, blah, whatever the things he said, then you have to put CO sensors on here, on it and he showed me in the code where it is at 16682, Australian Standards 16682?---I don't remember this conversation with Mr Faysal, I, but he could have, we could have talked about it, him and I. But he did not do any words for me on this.

20 Whose words do you think I just read?---My words, and this is the one before, yes.

Yeah. Your description of work he did for you outside of the university?---Yes.

Now for the years, financial years 05/06, 06/07, 07/08, 08/09, 09/10, have you done your personal tax returns?---We've done it and we gave it to, you know, the accountant to do it for me, yes.

30 Your personal tax returns?---Personal, yes of course.

For the same period have you done the tax returns for Rega Controls Propriety Limited?---Yes.

As a result of this investigation and your dealings with this Commission, is it your intention to amend any of those tax returns?

MR DOWNING: I object.

40 ASSISTANT COMMISSIONER: I'm sorry Mr Stitz, I don't see the relevance of that.

MR STITZ: The relevance is in relation to what he has told the ATO and what he might tell the ATO.

ASSISTANT COMMISSIONER: Well I'll let you know that you're welcome to put to him he's put in false returns and that goes to his credit but I don't see what his future intentions are, is relevant.

MR STITZ: Have you amended any of those tax returns?---Maybe there's one or, incident or two incident where we had, we neglect with my tax return, the company tax return were for the reason or another we neglected the fringe benefit tax on one time, and spoke to the accountant and the accountant advise me and he went back and amended it.

Now that had nothing to do with Mr Faysal, did it?---No, this is nothing to do with that, no. You ask me in general, but that's what I'm answering you.

10 Okay?---But I haven't amended anything.

But specifically in relation to Mr Faysal?---Yes.

You have not amended your tax returns?---No.

In respect of the \$35,000 which you say you paid to Mr Faysal which was in respect of those eight invoices, do you recall giving that evidence?---Yes.

20 In terms of your company's tax return, how did you deal with that expenditure?---I put it as an expense on a project.

So you claimed a tax deduction in other words?---I did.

Notwithstanding you say that it was nothing of the kind, correct?---I claimed it, I claimed it on my tax return. I said that.

30 What about the overseas travel that you paid for? How did you deal with that in your company tax returns?---I believe I claimed it on tax return. The one, the company paid for it as customer entertainment or something, or travel and accommodation.

I'm sorry, sir, can I just ask you to repeat that?---I believe I claimed the one the company paid, I claimed it on the tax under maybe travel and accommodation or customer entertainment, I can't recall exactly how I claimed it under the tax.

But nevertheless you claimed it as a legitimate business expense didn't you? ---I did. I did.

40 The eight - I withdraw that. The \$35,000 that you paid to Mr Faysal in respect of those eight invoices - - -?---Yes.

- - - was for work that he performed for you at your request, wasn't it?

---I said, we are repeating it again, aren't we? No.

And the details that appeared on those eight invoices were at your direction, weren't they?---They were made up between myself and Mr Faysal to cover payment.

Now, in relation to his daughter's trip to Spain - - -?---Yes.

- - - you volunteered to pay for that, didn't you?---He said his daughter looking for a sponsor, I volunteered to pay. I did not know what the, why she was going to Spain, I assumed that it was for the Youth, World Youth Day 'cause at that time the, the World Youth Day was at Spain and later on once, I remembered later on that he asked me, he said can you pay this for other things which is I paid without asking what I'm paying the other thing.
10 If Nabil asked me to, to pay something I usually do it straightaway.

Now, sir, your company, Rega Control, has for a number of, sorry, Rega Controls Pty Limited, has for a few years been turning over something in the range of about two million a year, hasn't it?---One to two million, yes.

Yeah. And in no way being critical of you, sir, but you've been earning pretty good money for the last few years, haven't you?---I'm a director, I work 16 hours a day, Saturday, Sundays, I'm there all the time.

20 And you're entitled to it but you've been earning good money, haven't you?
---I work hard for it.

Yeah?---And I have a lot of overheads, I wear so many hats.

You're also a generous man, aren't you?---I would like to think so.

Yeah. In terms of sponsoring someone to go to Spain for World Youth Day - - -?---I sponsor, I - - -

30 You've, you've done that sort of thing for other families, haven't you?---My employees, one of my employees (not transcribable) James Leighton, I send him, I think I ask one of our employees to, he went to somewhere, to the Philippine, I think I paid him bonuses to do so, I sponsor Revesby Workers Club soccer every year a little bit of money. I sponsor, I use to sponsor a few hundred dollars for other small clubs, yeah, and some communities. A little bit of money I think. I came to this country with nothing and I work hard and it's good to give back sometimes.

40 And you are generous to members of your church?---I haven't given to my church anything yet but the community, we have the community there, I, sometimes I sponsor the youth.

You give Christmas presents to people that you have business relationships with, bottles of wine and that kind of thing?---Yeah.

And you gave Mr Faysal a gift of an iPad didn't you?---I did.

Commissioner, would you just pardon me for a minute?

ASSISTANT COMMISSIONER: Yeah.

MR STITZ: Thank you, Commissioner.

ASSISTANT COMMISSIONER: Thank you. Yes, nothing from you Mr Downing?

MR DOWNING: No.

10

ASSISTANT COMMISSIONER: Thank you. That completes your examination now, Mr Franjieh, and you are now excused?---Thank you.

Thank you.

THE WITNESS EXCUSED

[11.10AM]

20 ASSISTANT COMMISSIONER: Yes, Mr Downing?

MR DOWNING: Thank you. The next witness is Mr Hood.

ASSISTANT COMMISSIONER: Yes, just take a seat, Mr Hood.

MR DOYLE: Might I be excused?

ASSISTANT COMMISSIONER: Yes, certainly, Mr Doyle.

30 MR DOYLE: Thank you.

MR FRAZIS: Commissioner, I seek leave to appear on behalf of Mr Hood. Frazis is my name, I'm a solicitor.

ASSISTANT COMMISSIONER: Sorry, I didn't catch that.

MR FRAZIS: Frazis. F-r-a-z-i-s.

40 ASSISTANT COMMISSIONER: Thank you Mr Frazis. Mr Frazis, is your client seeking a section 38 declaration?

MR FRAZIS: Yes he is.

ASSISTANT COMMISSIONER: Thank you. Mr Hood, I'm going to make this order, the effect of which is that nothing you say here can be used against you in future civil, criminal or disciplinary proceedings. I would point out that this protection does not apply if it's found you've breached the act by providing false or misleading evidence or in some other way?

MR HOOD: Yeah.

ASSISTANT COMMISSIONER: Do you understand the effect of that?

MR HOOD: Yeah.

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

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

30 ASSISTANT COMMISSIONER: Mr Hood, you are required to take an
oath on the bible or make an affirmation to tell the truth.

MR HOOD: Okay.

ASSISTANT COMMISSIONER: Thank you.

ASSISTANT COMMISSIONER: Yes, thank you Mr Downing.

MR DOWNING: Thank you. Commissioner, just before I start asking questions of Mr Hood, there is a statement from a Mr Kevin Duffy at Sydney University that I tender, and there are some parts that I expect in due course I'll ask some questions of Mr Hood in relation to. So, that's being distributed now. It's a statement of Mr Duffy of 19 September 2012, I hand up two copies.

ASSISTANT COMMISSIONER: Yes, that will be made Exhibit 13.

#EXHIBIT 13 - STATEMENT OF KEVIN DUFFY DATED 19 SEPTEMBER 2012

20 MR STITZ: Just before we go on, Commissioner, I might just ask if my friend could indicate which paragraphs are particularly relevant so then I can read it on the run? Okay. I'm indebted to my friend.

MR DOWNING: Mr Hood, if you could just tell us your full name?
---Wayne John Hood.

You'll just need to speak up a bit so that we can- - -?---Wayne John Hood.

Thank you. And your date of birth?---25th of the 8th, '51.

30 And your address?--- [EDITED].

And you're a builder by trade?---Yes.

And you've traded, is it correct, under the name WJ Hood & Sons Building for some years?---Yes, yes.

40 Is your, do you now trade through a company structure or is it still through the business WJ Hood & Sons Building?---No. It initially was WJ Hood & Sons as a partnership, then we graduated into Hood Family Trust and only just recently have we moved into WJ Hood & Sons Pty Limited which it's really just started operating in the past week I think.

Right. So it's been a partnership up until recent times?---It's been a partnership, yeah, yeah.

Okay. Thank you. Now, it's correct isn't it that you've done building work, and general building work at UTS going back for some years?---Yes.

Doing your best, and I know it's difficult to remember things precisely- - -?
---Yeah.

- - -but how long do you think you've been doing the work at UTS?

---I guess 25 years, take a punt, yeah, 25.

And is it fair to say that by about 2005/2006 UTS was a fairly significant source of work for you?---Yes, yes, it was pretty reasonable, yeah, yeah.

10

And did that continue through until recent times?---Yes.

So in terms of the jobs you did and income UTS was providing, it was an important source of work for you?---It was important. We used to actually try to work with Sydney University just to do a bit of work for the hospitals and also UTS.

Right?---Yeah. We tried to mix the basically three of them together.

20 Okay. And was it – those three were the biggest source of work for you?

---I would say so, yes.

Now, in the work you did for UTS- - -?---Mmm.

- - -were you familiar with the FMU, the Facilities Management Unit?

---Yeah, I used to do work for them, yes.

30 Was a lot of your work for UTS though the FMU?---We used to do a lot of work through FMU but we also used to do a lot of work through the academic departments such as professors and things like that would ring us up and say we've got a job here, would you like to have a look at it, and we'd say yes and we'd go over and quote it. And so we do work through FMU but also through the different departments. They used to do it themselves.

So sometimes individual departments would contact you to do work?

---Yes.

40 So not people within the – if I can put it this was, the actual part of UTS responsible for the facilities or the buildings, you sometimes got work directly from faculties?---Yes.

Right. So just sticking with the FMU for the moment?---Yeah.

But you were familiar with the FMU- - -?---Yeah.

- - -as being the, an entity within UTS that did provide or did a number of jobs where they would look after particular projects that were being done at UTS?---Yes.

Things like refurbishment of buildings?---Yes.

Maintenance works, things like that?---Yeah. They didn't do a lot of a maintenance works but- - -

10 Was it more individual projects to your recollection?---Yeah, more individual projects, yeah.

And I take it that in the course of your dealings with people at UTS you got to know some of the people within the FMU?---Oh, yes, yeah.

And they would be people that you would deal with I guess for the purpose of putting in for work?---Ah, what do you mean, sorry?

20 Well, when you were putting in for work, that is either quoting or tendering - - -?---Yeah.

- - -you'd deal with people from the Facilities Management Unit at that point in your dealings with UTS?---Yeah, yeah.

And you'd also deal with them when you're actually doing the work? ---Yes.

30 So that they would manage your performance and look at what you were doing?---Yes.

So it's fair to say isn't it that the relationship you had with people in the FMU is an important relationship for your business with UTS?---Yeah, yeah.

Now, can I ask you, in the course of your work with UTS, and I'm focussing in particular in the period from about the mid 2000's, about 2005 through to 2010/2011?---Right.

40 How did you normally obtain your work at UTS, what was the process by which you would get a job?---Okay. I would ring them up all the time, I never stopped ringing them up and asking them what work have you got going. They'd say, oh, we've got a job here, we've got a job there. I'd always say, look, can you put me on it, I want to look at everything you've got and don't forget me. And I'd ring them up that afternoon and I'd ring them up the next day and keep doing it until they put me on it.

And were these particular people for instance like project managers within the, the Facilities Management Unit?---Yeah.

Were you also sometimes contacted by the University in respect of particular jobs that were coming up?---Yeah, sometimes they'd ring me up and say that, you know, are you interested in pricing on this particular job and I'd say yeah.

And was it ordinarily by quote or by tender that you would put in work?
---Mainly by tender.

- 10 And was there some, did you understand that there was some different process for bigger jobs or smaller jobs, whether a quote was required or a tender was required?---Yeah. There was, they have a system in there where - look, I don't know the numbers but tenders sort of like you're up against say six or seven builders and quotes, you're up against probably three or four builders, yeah.

Was it your understanding that a quote's normally obtained for smaller jobs and tenders for bigger jobs?---Correct.

- 20 Now, can I ask you when you first came into contact with Mr Faysal in, in the course of the work you were doing at UTS?---Mmm, mmm. Oh, sorry, when?

When, yes?---Oh, I guess the first time I met him was probably about between 10 and 12 years ago I think.

And was he someone you understood worked within the Facilities Management Unit?---I think I, I think I knew him, him as an engineer.

- 30 All right. Did you not have any idea of where within the University he fitted?---No, no.

Was he someone though who you understood provided engineering advice and input in respect of jobs that the University was looking to have done by contractors?---Yes, I think so, yeah.

- 40 And did you understand that his role was, from a particular engineering perspective, to provide advice and recommendations so that the University could work out what jobs that they should allocate and to whom?---Well, first up, when he was doing engineering he didn't involve himself in any, any of my jobs actually. I only seen him a couple of times so I don't know.

Right. You say when he was doing engineering?---Yeah, when he was in the UTS I had nothing to really do with him with projects first up.

Well, are you talking about a time, did you understand that at a particular point he had a promotion from an engineering job to a different job?---I

don't know what the times were but I, I did, I did hear that he'd been promoted.

Right. And please tell me if this doesn't accord with your recollection, but does the period March 2007 sound about right?---If I said yes I'd be just purely guessing.

10 Right. Well, thinking back to the period of work you're doing, if I suggest to you that between March 2007 and August 2009 that he worked in a acting manager's position in respect of, well, within the FMU, would that sound right?---Oh, no, look, I can't remember that, sorry.

But you recall a period where he went into a different role than purely being an engineer, correct?---Yeah, there was a period of time when he did move from one point to the next.

20 But even just dealing with the period when he was an engineer, you understood, didn't you, he wasn't an academic within the Department of Engineering?---No, no, no, he was employed by the UTS as, he worked in FMU, yeah.

And in that role I take it you understood that what his job was or an important part of his job was to advise the University about engineering aspects of jobs they were looking out to put out to quote or tender?---I think what his role was was to solve problems if they came up with air conditioning and mechanical problems, that's what I thought his role was.

30 Well, do you say you have, you had no understanding that he might have some involvement in relation to the allocation of work?---No, no.

None at all?---No, no.

You never understood that?---When he first had his job and all that?

Well, we'll deal with the period first of all up until March 2007 - - -?
---Yeah.

40 - - - when he worked in an engineering capacity within the FMU?---Yeah, yeah, yeah.

Did you not understand he had anything to do with the allocation of work?
---No.

Or even providing advice or recommendations about the engineering aspects of jobs that might be allocated?---No, no.

All right. What about in the period after March 2007, I've asked you to accept from me that - - -?---Yeah.

- - - at that point he had a different role?---Yeah.

Did you understand at that time that he had some involvement in respect of making recommendations or advice about the allocations of, allocation of work?---Well, I don't think so because I quoted and tendered on the work so in the UTS as far as they're concerned for the cheapest price wins so I'd tender it or I'd quote it and, and they would say in their paperwork somewhere that the cheapest price may not be selected but I certainly never
10 seen that happen.

So you say all you understood was the type, the quotes go in or the tenders go in and the simple result is lowest price wins?---Yes.

Are you seriously suggesting that you didn't have any understanding that they might actually look at the scope of works, look at the capacity of particular contractors to do work and then make a decision about who they thought could best deliver the job at a good price? Are you saying you didn't have any thought about that?---I used to suggest that all the time for
20 my benefit. I used to say I can do, I might not have won the job but I can do that job quicker and better than all the builders that you put on the tender. And they would say well sorry but you're not the cheapest. So I used to shut up saying that because it was, I was called sour grapes when I lost the job.

Mr Hood, you would understand, wouldn't you, during the period - - -?---Yeah.

- - - you were doing work at UTS?---Yeah.
30

- - - that the course of deciding on who would get allocated work would involve looking at both the price and the actual nature of the job that's involved? You'd understand that, wouldn't you?---Yeah.

So that it would involve people within the, and lets stick with the FMU for the moment?---Yes.

It would involve people from within the Facilities Management Unit - - -?---Yeah.
40

- - - looking at the particular job that was to be done ?---Yeah.

Looking at the requirements of the work?---Yeah.

Looking at the capacity of contractors who are putting up their - - -?---Yeah.

- - - names for the job?---Yes.

And making an assessment after looking at all the competing quotes or tenders - - - ?---Yeah.

- - - about who could best do the job - - - ?---Yeah.

- - - at a good price?---Yeah.

10 So that you would understand, wouldn't you, that for instance project managers, you knew there were project managers - - -?---Yes.

- - - within the Facilities Management Unit?---That's right, yeah.

That they would be looking at and making recommendations about the work that might be allocated?---Well I wouldn't know that, I'm an outside private builder. I can't, I - - -

20 ASSISTANT COMMISSIONER: Look, you've been doing work there for years. Are you seriously suggesting that you don't think that the project managers would have any input into saying don't use this contractor again his work was hopeless?---I'm sure they probably did say that.

30 Well they were looking at more than just the price weren't they? They wanted the work to be adequate to the needs?---Well about, I think it was about a month ago we wanted to tender on a particular job and we weren't put on it, so they picked four other builders to tender the job. And they done all their so called checks and background and financial checks and they put it out for tender and it was in a fairly delicate area where the job was getting done. An unknown builder come along and won the job. His price was extremely cheap. They took the builder and when they rang him up two weeks later, we're ready to get going with the job, his answer was, "I'm very sorry but we've just gone bankrupt."

What's that got to do with what I just asked you? I am putting to you as a general proposition that you would well know from - - -?---Yeah.

- - - from working at the university for many years - - -?---Yeah.

40 - - - that part of the job of the project manager would have been to see that the work was getting done properly?---Yes, yes.

And that's something that would be taken into account in the future?---Yes.

Surely?---Yes.

If somebody did a very bad job - - -?---Yes, yeah.

- - - and the project manager or someone - - -?---Yeah.

- - - in FMU said that person's hopeless - - -?---Yes.

- - - that person wouldn't get any work?---No, they wouldn't do it on the next - - -

So obviously the university employees had some influence on the whole process of who got appointed?---At the, at the end of the project they would. They would say don't put him on the next job.

10 And on an ongoing basis?---Yes, they would say don't put him on the next job because he made a mess of it.

Yeah, that's right?---Yeah, yes.

So on an ongoing basis - - -?---Yes.

- - - an adverse comment - - -?---Yeah.

- - - or recommendation - - -?---Yeah.

20

- - - from somebody in the university would be, could have a very bad effect on somebody's business?---It could, but I didn't mean, I meant, you misunderstood me.

No, I didn't misunderstand you at all?---Okay.

I mean I don't think you seriously can suggest that you didn't think that the people working in FMU would have some influence on who got projects and who got continuing work from the university?---I think, I think that
30 when the jobs are selected such as they might turn around and say we've got four builders or six builders or 10 builders and we've got this job over here which is, say, lets say in the medical area, it might be a bit delicate. They would then at that point say look pick that builder, that builder, that builder, that builder because they're pretty good to work in that area.

ASSISTANT COMMISSIONER: That's right?---Yeah.

And they wouldn't base it simply on price, price would be one element, wouldn't it?---It's one element, yes, yes.

40

Yes, but they'd look at other issues as well?---Oh, yeah, I'd say they look at other- - -

Whether the builder was a good builder for example?---That's right, yeah, and they'd make up that panel of the builders then, yeah.

Yes?---Yeah.

Thank you. Yes, Mr Downing.

MR DOWNING: So I think you agreed with me before that you understood that people working within the FMU had an involvement first of all at the level of working out who would have work allocated to them?---Right.

You agree with that, don't you?---Sorry, say that again, sorry?

10 Your understanding at the time you were doing this work at UTS was that the people within the FMU – let's focus on project managers – they would have an involvement at the point when a decision had to be made about the allocation of work, that is who would get the particular job?---Who would be put on the- - -

Yep---?- - -on the job to price it.

Well, also about not only who's quoting for it or tendering for it, but who actually gets the contract?---No, I don't think so, no, no.

20 Well, how did you think that decision got made?---Well, you come along and you put your envelope in the tender box and they select it and they take it out and when they open them up it might have four builders there with four prices and the cheapest prices wins. That's it. You're still saying that it's the cheapest price that wins, nothing more?---Yes, yes, I do.

ASSISTANT COMMISSIONER: What do you base that belief on?

30 ---Well, many a time I might have been the second and I would go into the property, to the project manager and say, oh, you know, how did the prices go, oh, you just missed out. And then I would try to convince them and say, look, you know quite well that this builder is going to charge you a mass of variations and pick up the difference in money in five minutes. And I'd say, and you know I don't do that. And they would say, yeah, yeah, we understand but rules and the rules.

Well, I think you've already accepted that if they opened the four envelopes and there was a cheap price there from somebody who had previously done a very bad job that had collapsed, do you think they'd take that person just because their quote was cheap?---I don't know.

40 No. Oh, come on, you don't know. Is that a serious answer?---Yes, I- - -

They'd pick someone who'd previously built something that fell down- - -? ---Oh, no, they're not going to take that- - -

- - -because he put in cheap price?---No. I don't think they would have put that builder on the tender in the first place because of already his bad track record.

So they did have the power to decide who'd get put on the tender?
---Yes, yes, yes, yeah.

Yes, thank you.

MR DOWNING: Mr Hood, what I was asking, and I was asking you to think about the people that you dealt with in the FMU, the project managers?---Yes, yes.

10 You were familiar with those?---Sorry?

You were familiar with the project managers in the Facilities Management Unit?---Yes, yes, yes.

And what I've asked you about – and I'm only asking a general questions, is that they had essentially two levels of involvement. One of them was in the process of working out who to allocate work to, that is, who could tender or quote and once a quote or tender had been put in- -?---Right.

20 - - -who the job should be allocated to. They had an involvement at that point, didn't they?---Right, right.

Do you agree with that?---I guess so yeah, yeah.

Well, you sound hesitant?---Well, say, can you just say that again? My hearing's not the best, mate, you know.

30 No, that's all right. But if, if you're not hearing please let me know and I'll speak up?---Yeah, no, no, my hearing's not the best. I mean 38 years in the building industry using power saws, what I'm hearing at the moment is a loud power saw screaming, right.

Mr Hood, please- -?---I suffer badly with tinnitus.

I understand?---Right.

And if you don't hear- -?---Yeah.

40 - - -anything I say, please ask me to repeat it?---I will, I will, but don't get annoyed, that's all.

What I'm asking is, the project managers that you – I'll take it one step at a time?---Yeah, sure.

You told – you've agreed with me you knew the, you were familiar with the Facilities Management Unit at UTS?---Yes.

And you knew within that unit there were project managers?---Yes.

And as the name suggests, they would look after particular projects, that is, jobs that might be allocated within the FMU?---Yes.

And what I've suggested to you is that one area in which project managers had some role or responsibility was in the process of actually receiving quotes and tenders and deciding who to allocate the job to?---Right, right.

You'd agree with that?---I would say so, yes, yeah.

10

A second part of their responsibility or role- - -?---Yeah.

- - -would be once the job had been allocated- - -?---Yes.

- - -having some involvement to make sure that it was done properly- - -?
---Correct.

- - -and ensuring that for instance if it was to a builder, that the builder did a good job?---Yes.

20

And that's information that you would then expect, wouldn't you, to feed back into whatever next job you quoted or tendered for?---You would hope, yeah.

So that it would be relevant – I withdraw that. So the project managers within the FMU, you would expect that when it came to a quote or a tender from a company that had done jobs for the University before would be likely to have some opinion or recommendation or advice about how good the job was for that particular contractor, their capacity to do particular jobs.
30 You would expect that, wouldn't you?---Yeah, yeah, yeah, yeah.

So that your relationship was an ongoing one with the University?---Yes.

And with the people within the FMU?---Yes.

Now, in respect of Mr Faysal, I asked you some questions about him before and you, did you understand that in the early days of your involvement with him that he was a mechanical engineer?---Yes.

40

And that he worked within the FMU?---Yes.

And consistent with, well, I withdraw that. Did you understand that he looked after particular projects?---Yes, I think he did.

So that in effect he project managed jobs within the FMU?---Yes, he did, yeah.

So further to what I've already asked you, you would expect then that when it came to quotes or tenders you'd put in that he might have some valuable input into whether you might actually be successful in getting a job?---Yes, I'd say so, yeah.

In that he could say something about your general capacity to do work?
---Yeah, I'd say so, yeah.

About your performance on particular jobs?---Yeah.

10

About the standard of the finished product?---Yeah.

So that he could have an important role when it came to allocating particular contracts within the FMU?---Well, I don't know but I'm sure he would probably suggest if the builder was good or the builder was bad, yeah.

You would expect that given the role that he had wouldn't you?---You would say so, yeah, well, that, that'd be his responsibility I think.

20 And was it your understanding that at a later time, and I suggested to you between 2007 and 2009 - - -?---Yeah.

- - - that he took on a role that was a more management level job?---Yes, I think he did.

So that he would be in effect supervising project managers within the FMU?
---Yes, I think he did, yeah.

30 And in that capacity you would expect, wouldn't you, that individual projects would be brought up to him and again, he would have a role in deciding about whether a job would be allocated to a particular contractor?
---Well, I wouldn't know that.

Well, you've agreed with me that project managers, which he once was - - - ?---Yeah.

- - - would provide valuable important advice and recommendations about the allocation of jobs?---Yeah.

40 Well, if he's promoted so that he's now supervising project managers you would expect that he would now have a more senior role in terms of deciding about the allocation of work?---Well, I used to win some jobs but to get the final sign off for them quite often they would go to Glen Rabbitt.

So you're saying Mr Rabbitt was someone you understood was more senior?---Yes.

Right?---Yeah.

But you understood there was a chain of command?---Yes.

Project managers - - -?---Yeah.

- - - Mr Faysal - - -?---Yes.

- - - and Mr Rabbitt?---Yes.

10 And at each level of that chain of command you would - - -?---Yeah.

- - - expect that there would be some input from the person into the decision that's being made about allocation of work?---I think they must have spoke about it, yeah.

Well, not only they must have spoken about it but each of them, for instance, Mr Faysal was an engineer?---Yeah.

20 You would expect that if the project managers had come to him with a recommendation about the allocation of a particular job - - -?---Right.

- - - he would apply his particular knowledge and expertise in making the decision about whether that job should be allocated to a particular contractor?---I suppose he may have said it or he could have said it, I don't know.

All right. But you would expect based on your experience with him that he would, do you agree with that?---Well, experience wouldn't, it doesn't come into it, it just doesn't come into it.

30 Well, let me - perhaps I could give you an example?---Yeah.

If Mr Faysal was familiar with your company as a building company that had done work previously - - -?---Yes.

- - - one of his project managers, when he's in the managerial position, comes to him with a recommendation that your company should get the building job?---Right.

40 You would expect, wouldn't you, that he would have, he would apply his experience and knowledge of your work and your company's work in deciding what to do, whether to accept the recommendation or to suggest someone else should get the job?---Yeah, I'd probably say so, yeah.

So that you understood, didn't you, that at all times in his original engineering position and his managerial, managerial position, that he was a person who had some, he was a person who was in a position to have some influence on the allocation of work?---He would have some influence.

Now, it's the case isn't it that over the years that you've, you through your company or through sorry, your partnership - - -?---Sure.

- - - have done work at UTS - - -?---Yeah.

- - - Mr Faysal has been involved in quite a number of the particular projects that you've worked on?---Yes.

10 Would you be able to estimate the number? I know it's a relationship that goes back some years in terms of the work?---Yeah.

But it's quite a lot isn't it?---It'd be a few jobs, yeah.

Well it would be more than just a few as in maybe three, it would be quite a lot more than that, wouldn't it?---It'd be more than three but I couldn't come up with numbers.

20 Well thinking about the other people that worked within the Facilities Management Unit - - - ---Yeah.

- - - do you think if you were going to estimate looking at say over the last five years - - -?---Mmm.

- - - the jobs that you've done, do you think it might be, percentage wise, perhaps even 30 per cent of the job might have involved Mr Faysal?---Over five years, 30 per cent. I don't think it may be 30, it might be a bit less, I think, but - - -

30 Around that level?---Well as, again, I'm just guessing, I'm just purely guessing. I'm just guessing it could be somewhere near it, I guess.

Okay?---Yeah.

Now do you have a recollection in 2010 that a Mr Mulhall contacted you and asked you questions about particular projects you'd done in relation to building one at the university?---Yes I do.

40 And can I ask you in relation to that, do you recall that specifically that the questions related to some jobs that you'd done at, in building one when Mr Faysal had approved them? Do you recall that?---I remember going and looking at the jobs, yes.

And thinking back to the time when Mr Mulhall came to speak to you - - -?---Yes, yes, yes.

- - - that he asked you about particular jobs - - -?---Yeah.

- - - that you'd done?---Yes.

And they were jobs where Mr Faysal had given you approval for them in relation to building one?---Right.

Do you remember Mr Mulhall saying that that was the nature of what he wanted to ask you about?---Yeah, well I quoted on all the jobs.

10 Right?---And he, I remember he sent me a letter because I was reading the letter before I came in here. And it said, I think it said something like are these your actual quotes or invoices? Something like that.

Do you have a recollection, and please tell me if you don't remember this?--
-Sure.

20 But Mr Mulhall asked you about whether you'd provided quotes for jobs that were over \$20,000 and there was a suggestion that Mr Faysal hadn't obtained quotes from other people. Do you remember him explaining something of that nature to you?---No, I don't remember him saying anything like that.

Do you recall that in relation to building one - - -?---Yeah.

- - - that you did work on a number of different floors?---Yes, we did.

And do you recall that in respect of that work you issued a number of invoices for the individual jobs you did on each floor?---Yes.

30 So that it wasn't one big contract where you issued one large invoice for all the floors you worked on, you issued invoices on a floor by floor basis?---
Correct.

And each, do you remember roughly in terms of dollar figures, what sort of money we're talking about per job?---I suppose, I remember looking at the invoices, so \$25,000 rings a bell.

Per job?---Yeah. Sort of roughly 25, 30, 40.

40 And, do you remember - - -?---They change because of each individual floors had different requirements.

All right. And do you remember how many floors were involved in that building?---In the job I, I don't know, 19 would it have been? Something like that.

So there might have been 19 floors - - -?---Yeah.

- - - where you done work and issued invoices at somewhere between 20 and 45. I know you've just estimated?---Yeah, yeah, that's right.

Yeah?---It'd be something like that I guess, yeah.

And do you recall if Mr Mulhall asked you any questions about whether, I'll withdraw that?---Sure.

10 He spoke to you about the quotes that you put in or the tenders that you put in for those jobs?---Yeah.

Now I've asked you some questions and I think you agree with me that UTS has been a fairly significant source of work for you over the period from, say, 2006 to, say, 2011?---Yes, they have.

All right. Now it's also the case, isn't it, that between 2006, between April 2006 and June 2008 you or your business have made a series of payments to Mr Faysal's company - - -?---Yeah.

20 - - - NA & CW Investments Propriety Limited?---Yeah. Yeah.

Now can I ask you when did you first learn of the existence of NA & CW Investments Propriety Limited?---I don't know, early in the piece I think. Early in the piece he mentioned that he run his own business.

Well I think you said that you've known Mr Faysal for about 12 years, was that your answer - - -?---Yeah, about that.

30 - - - before?---Yeah. Yeah.

And what your recollection is that sometime not long after you met him, he mentioned that he had his own business?---No, I don't think it was then. I think it was a while later, I think it might've been a while later. I think so.

40 Can you recall the nature of the discussion that lead to him telling you about his own business?---I think he said he had his business in the Middle East and he used to have his own business or something like that in the Middle East and had heaps of men working for him and doing all this sort of stuff, I think it was something like that.

Did he say something about the nature of the business?---No, no.

What, your recollection is that he said something about, and again, I'm asking you to do your best to recall?---Yeah, yeah, yeah.

And I accept that this is some time ago?---Yeah, yeah, yeah.

That he had, he had some business interest in the Middle East?---Yeah, he had some business in the Middle East that he run and he had men working for him and - - -

But did you understand that, for instance, was that a construction business that you understood, or - - -?---I think it, I think it might've been something to do with construction I guess, yeah. I don't think I really, really asked him that much, no.

10 But he told you that he had this business NA & CW Investments Propriety Limited?---Yeah.

Is that the business you're talking about?---Yeah, yeah, yeah.

But you can't recall now how that came up in conversation?---No, not really. No, no.

20 Now if I could ask you to have a look at page 792 of the second of the exhibits folders, it should come up on the screen in front of you if that helps?---Okay.

Just give it a moment?---Okay, thank you.

Do you see that?---Yes.

Now do you see that's a deposit record from St George bank?---Yes.

30 And that has, ignoring, I'll withdraw that. There's two cheques referred to there, one from WJ Hood and Sons Builders - - -?---Yeah.

- - - for \$3300 - - -?---Yeah.

- - - and dated 19 April 2006?---Right.

Now can I ask you is WJ Hood and Sons Builders, is that an account that you have open for the purposes of your building business?---Yes.

So do you draw cheques on an account in that name?---Yes, yeah.

40 Do you have other cheque accounts?---I think the only one is, at that time was, no, it was only just that one, that was all I think, yeah.

In more recent times have you got other cheque accounts?---Just now, just now in the past couple of weeks.

Is that for the company?---Yeah, it's for the company.

Right?---And we just, new structure type thing.

Okay?---Yeah.

But you didn't have, you didn't have any other cheque accounts as at 2006, 2008?---No cheque accounts, no, no other cheque accounts, no.

So the only one that you had was through the business for WJ Hood and Sons Builders?---Yeah, that's right. Yeah.

10 All right. All right. Now you see that this is a payment which seems to have been made by you into the account for NA & CW Investments on 19 April 2006?---Yeah, looks like it, yeah.

And you accept, don't you, that that was a cheque that you provided to Mr Faysal?---Yeah, yeah.

Have you got any recollection now of what that was for?---Just looking at it, no I don't.

20 All right. If I could ask you then to go to page 793, again hopefully the, the image is in front of you on the screen?---Yeah, that's it, yeah.

Do you see that's a record of a deposit into the account for NA & CW Investments on 6 June 2006?---Yes, I see that.

And it refers to a cheque drawer WJ Hood?---Right.

And there's an amount of \$4025?---Yes.

30 Now can I ask, did you, did you have any cheque account in your own name? Because J is your initial, isn't it?---Yes.

So WJ Hood - - -?---Yeah.

- - - is your name?---Yeah.

Did you have a cheque account in your own name?---No.

40 So the only cheque account was in the name of WJ Hood and Sons Builders?---Hang on, I think there was one, I think I had a cheque account at Sydney University which I never, I don't think I even had a chequebook to it, it was just a key card account.

Right?---That's all.

But not a cheque account?---No, not a cheque account, no, no. No, I just had a property and I used to get the rental deposited straight into it.

Yeah?---I just left it at that, that's all.

Okay?---That's the only other one.

So that according to your recollection if this cheque was from you - - -?---
Yeah.

- - - it must have been in the name of WJ Hood and Sons Builders?---Yes,
yes it would've been, yes.

10

And at 6 June 06 - - -?---Right.

- - - in the sum of \$4025, do you have any recollection now about why you
were providing that cheque to Mr Faysal?---No, well it would've been for
work done but unless I, unless I have some invoices or documents that relate
to it, I can't remember. I, I have chequebooks which has thousands of
cheques in them and if I opened up any particular page and someone said to
me what's that cheque there for, I'll be honest, I wouldn't have a clue.

20

I'll come to invoices in a moment?---Yeah, okay, all right.

All right. If I could ask you then to go and have a look, sorry, I withdraw
that. Before I move on but you accept don't you that you must have
provided a cheque to Mr Faysal in the amount, that amount at that time?
---Oh, if it's written there and it's my signature, yes.

Sorry, you're saying that's your signature?---Well - - -

30

Are you sure about that?---Oh.

This is a deposit record for Mr Faysal's account?---Oh, hang on, paid in by
signature where it says there?

Do you say where it says "paid in by", is that your signature that appears
there?---No, I don't think that's my signature, no, that's not my signature.

Okay?---No.

40

Right. But you accept don't you, that it's likely that in June 2006 you
provided a cheque to Mr Faysal?---Well, unless I had a look in my records
but I think you've got all the records there anyway, if that amount lines up
with any then that would be amount but - - -

Well, accept from me for the moment that there is no invoice, I'll come to
your invoices but there's - - -?---Okay.

- - - no invoice that corresponds to that?---Rightio.

But you don't dispute, do you, I mean seeing this deposit record with the name WJ Hood, you accept that you must have provided a cheque to Mr Faysal?---Yeah, I wouldn't dispute that, no.

All right. If I could then ask you to go to page 795?---Right.

Do you see that's - again, there are two cheques referred to but it's a deposit record of Mr Faysal's account, 23 February, '07?---Yes.

10 And there's a reference there to a cheque from WJ Hood for \$4,170?---I see it, yeah.

And I take it you accept that that must have been a cheque from you?
---Yeah, more than likely, yeah, yeah.

If you could then go to page 796?---Right.

20 It's a deposit record into Mr Faysal's account or the account for NA & CW Investments?---Right.

Showing a cheque from WJ Hood and Sons for \$3,960 on 13 April, '07?
---Yes, I see that.

And again, you accept that that was a cheque from you?---I would say so, yeah, yeah.

30 If you could then go to page 797, do you see there is a record of the deposit into the NA & CW Investments account on 3 August, 2007 for \$4,170?
---I see that.

And it shows the cheque drawer as WJ Hood & Sons?---Yes.

And you accept that was a cheque from you?---Yeah, I can see the BSB number so, yeah.

That's your BSB?---I think it is, yeah, I'm pretty sure.

40 If you could then go to page 794, that's a deposit record into the NA & CW Investments account for 7 December, '07?---Yes.

Showing a cheque deposit from WJ Hood & Sons for \$4,240?---I see that.

The same BSB?---Yeah.

And you accept that that was a cheque that you provided?---Yeah, well, it's out of my chequebook.

Could you then go to page 799. That's a deposit record for 5 February, 2008?---Right.

Showing a deposit of two cheques from W J Hood & Sons?---Yes.

One for 4,900 and one for 4,650 - - -?---Yes.

- - - into the NA & CW Investments account?---Right.

10 And you accept that they were cheques provided by you to Mr Faysal don't you?---I would say so, yeah.

Could you then go to page 798, do you see that's a record of cheques being paid into Mr Faysal or the NA & CW Investments account - - -?---Yeah, yeah.

- - - on 2 May, 2008?---Yes.

In the amount of \$7,940?---Yes.

20

And the cheque drawer shown there is Hood Family?---Yes.

Do you recall if you did have an account in the name of Hood Family? ---What it is, Hood Family Trust. That's all that is, at that time we were changing over into, from a partnership to Hood Family Trust account.

So this was a chequebook you used through your business for business purposes?---Yes, yes.

30 So for instance to pay contractors and, and the like?---Yes, yes, yes, everything, yeah.

It wasn't something you used for personal purposes?---Oh, we used to use it for personal purposes also, yeah, yeah.

All right. If you could then have a look at page 800?---Yeah.

And do you see that's deposit record in respect to the NA & CW Investments account showing two cheques from the Hood Family - - -? ---Yeah.

40

- - -deposited on 26 June, 2008?---Right.

One cheque for \$8,720?---I see.

And one cheque for \$7,680?---Yes.

So a total of \$16,400?---Yeah, I can see that, yeah.

And you accept that these were cheques provided by you to Mr Faysal?
---I would say so, yeah.

Now, the total, and I ask you to accept my maths as correct for this, the total of the payments that I've taken you through- - -?---Mmm.

- - -for that period from- - -?---Yeah.

10 - - -April 2006 to June 2008 is \$57,705?---Okay.

Does that accord in any way with your recollection about the amounts that you were paying Mr Faysal over that period?---I, I think it was, yeah.

Now, do you recall earlier this year you received documents from the Commission asking that you produce certain documents to the Commission?
---Yeah.

20 And one of the things that you searched for and produced was invoices that you found from NA & CW Investments?---Yeah.

And is it the case that you were able to locate five and you produced those?
---I think it may have been, yeah.

Well, if I can take you to first of all page 788?---Yeah.

Now you see that's an invoice from NA & CW Investments to you?---Yes.

30 And it's in, well, it's dated 4 August, 2007?---Yeah.

Do you see that there's a figure in typed script of \$4,170 but it's crossed out by hand and amended?---Yes.

Is that your writing?---Yeah, it is.

So can you tell me, it says, "New price, \$4,650", is it as agreed?---I don't know what I don't that for. I don't know.

40 Well, I'll come to why you did it?---Yeah, yeah.

But am I correct that it reads, "New price, \$4,650 as agreed?" Is that what it says?---Ah, it says, "New price 4,650", it looked like agreed underneath it. And then it says, "Time delay."

"Time delay", is it?---Yeah, yeah. So I, I don't know.

You don't have any recollection of why you came to change that?---No, I don't.

Or the circumstances that led to it?---No, I don't, no. It's ah, no.

No?---No.

Mr Hood, do you recall that one of the deposits I took you to earlier- - -?
---Yeah.

10 - - -was an amount of \$4,170 with the deposit occurring on 3 August, 2007.
That was at page 797 if we just flick back there for the moment?---Yeah, I
see that.

So that was one of the payments you in fact made?---Yeah, I'd say so, yeah.

So 4,170?---Yeah, yeah.

And that figure is the actual amount of the original figure shown on the
invoice I just took you to at page 788, isn't it?---Yeah, yeah.

20 Is it possible that you did in fact pay that amount in respect of this invoice?
---I would have paid, looks like the 4,170.

Do you think that relates to this invoice?---Yeah, I guess it may.

Well, you see the invoice is dated 4 August, 2007 if we go back to that page
788?---Right, yeah.

30 But if you go back to the deposit record at page 797, that's actually showing
the cheque was deposited on 3 August, '07?---Right.

You've agreed with me that the figure is the same as originally shown on
the invoice?---Looks like it, yeah.

Can you think how you might have come to - sorry, I withdraw that. And
you agreed with me that- - -?---Yeah.

40 - - -you think it looks like you were paying this invoice. Can you explain
how you might have come to pay it before it was actually dated?---I don't
know, he might have asked for it.

Is it possible that you made the payment and then you were given this
invoice and it was dated at a later point?---Oh, I suppose that's possible. He
might have just asked for it and- - -

But you don't recall anything about the circumstances in which you made a
change by hand from 4,170 to- - -?---No.

- - -a new price of 4,650?---No, I don't.

Now, it's correct isn't it, and please tell me if you- - -?---Yeah.

- - -want to have a look at the documents, but that the figure, \$4,170 that you actually did pay on 3 August- - -?---Yeah.

- - - that doesn't correspond with any of the invoices that you've been able to locate, does it, other than the crossed out figure on this one?---Yeah, that's right. Yeah, yeah.

10

So doing your best do you think you must have been trying to pay this invoice?---Yeah. Yeah.

But you can't explain why you've written a different price on it?---No, I don't know. I don't know why I've done that, I don't know.

All right. Well if I could ask you to - - -?---Yeah.

20

- - - have a look at a second invoice. Sorry, I'll withdraw that. Before I move on, the paid stamp, was that a stamp that you put on, on page 788?---Yeah, yeah.

And is that what you put on invoices when you pay them?---Sometimes I do, my wife does sometimes.

Well it's, for business expenses it's important to keep a record of what you've paid, isn't it?---Yes, I agree, yes.

30

One important reason is that so you actually have first of all a copy of the documents so you can claim it as an expense in your business accounts?---Yeah, yeah, yeah.

Because otherwise you would be paying tax on an inflated level of income?--Yeah.

Without producing it for the expenses?---Yeah.

40

So your practice would always be to keep invoices for work that you've paid for people to do in your business, wouldn't you?---I use my cheque butts basically as my invoices and quite often, quite often in the building trade and it's very common that I would get people to finish the job and they'd come up to me and they'd say when can you fix me up for the job? And I'd say well how much was it? They'd tell me, I'd come back tomorrow and say yep that's what's in my quote book, and I'd just pay them. I'd write it down in my, just write it on the cheque butt, that's all.

Do you write, on the cheque butt do you record the name of the person you're paying?---Yeah I write down the name.

Do you write some record of what the work was for or some note about that?---Only if there was no invoice given to me, I'd try to write that so at least if there's no invoice I'd put some little note or a description, that's all.

I'm just interested because the first two payments we have records of for you, that's 19 April 06 payment of 3300 and 6 June 2006 payment of 4025 - - -?---Yeah.

10 - - - there's been no, you weren't able to locate any invoices that corresponded to those payments?---Well in those invoices that went missing which I explained to Michael Kane the first time I ever spoke to him which was back in April, I think it was April. I had a flood under my house and I had all my documentation stored in bags under the house. And everything was totally destroyed so I threw the whole lot out and what I retrieved is what I gave to ICAC which is what youse have got now.

Okay. But what I'm wondering is - - -?---Yeah.

20 - - - do you still have the cheque butts that, for the chequebooks you were using back in, for instance, April 2006?---Yeah. My accountant would have them, yeah.

Well have you had a look, for instance, to see what you can find from the cheque butt for the cheque of 3300 on 19 April 2006 in terms of whether there's a description in there of what - - -?---No.

- - - work might have been involved?---No, no, no. There is none.

30 You haven't had a look?---I had a look, yeah.

And there's nothing?---No. No.

So your position is you haven't, you don't any longer have an invoice - - -?---No.

- - - in respect of that?---But at the time I would have had an invoice so therefore I wouldn't have bothered writing it on the cheque butt. And when the invoices got destroyed, well I don't know what they were about.

40 All right. Well if I could ask you then to go and have a look at the invoice at page 789?---Yeah.

Now see that's an invoice to you from NA & CW Investments - - -?---Yes.

- - - 2 February 2008?---Yes.

In respect of work at the mechanical engineering building at Sydney Uni?---
Yes.

It's got a paid stamp so does that indicate that you paid it?---Yes.

And you've written, is that your writing on it as well?---Yes.

For prospective tendering purposes?---Yes.

10 So is that annotation by you, do you recall when and in what circumstances
you made it?---I was trying to think about what that was in the first hearing
that I went to because the same question was raised, and thinking about it, it
says, and some of these invoices are not 100 per cent correct in what was
actually done. But it's, it's the way in the building industry some people do
things, that's all.

But do you recall when - - -?---Yeah.

20 - - - it was you wrote those words on it? Was it the time you received it, the
time you paid it, some much more recent time?---No, I can't remember
when I wrote it on it, but attend to a testing and commissioning of the fire
system for the above site including fire certification for prospective
tendering. Now, initially I thought, which is what I said, I thought that that
particular job was a design and construct and a quoted job where I put it
together as a package irrespective of what it says there, and I issued it to
some architects in the university or private consultants. Okay. But then it
could've been, because for prospective tendering purposes, so the whole
thing could have been worked out as a prospective tender that I put together
and then gave it to the UTS as a package.

30 Well, do you mean UTS or Sydney University?---Sorry, Sydney University
but there again, and this is 208, Nabil Faysal might have even done the job
because it says "attended testing" so I'm quite vague on that one.

But can I ask you, just in relation to the words, do you believe, do you have
any recollection when it was you wrote those words?---No, I don't.

Doing your best do you think it was at the time you received the invoice?
---It might have been.

40 Could it have been much more recently, like this year?---No, no, not this
year. It might have been when I received it, yeah, it might have.

Can you recall why you wrote that down because - - -?---Well, probably it
may have, look, it's possible. It may have been for prospective tendering
purposes, it may have been put - - -

ASSISTANT COMMISSIONER: But why would you write that on there? What was the purpose of writing it there?---Maybe clarification of the invoice.

For yourself or for somebody else?---Possibly, possibly for myself.

Why, because you didn't know what it was for?---Well, I just do lots of work and I just try to clarify things when I can, I've got a bit of paper or something like I do in cheque books or anywhere else.

10

Well, how did that clarify it?---Well - - -

What was it attempting to clarify?---Well, what the work was probably for, what the invoice was for.

Yes. But how does that phrase clarify it?---Well - - -

20

What is it making clear by putting that on it?---Well, you get a person that comes on, for argument's sake say, say I get someone to actually go and tender the job for me, I have to still, there is a cost against it, I have to pay someone to tender the, to tender it. There is a bill. It doesn't matter what happens, there is a bill. It may have been for that, attending, commissioning of the (not transcribable) the job may have been done. I know that attending testing commissioning you can't get anyone to turn up on a site under \$2,000 for anything so - I just can't remember that one, I'm sorry.

ASSISTANT COMMISSIONER: Yeah?---I can't remember it.

30

That doesn't help me. Go on, Mr Downing.

MR DOWNING: Okay. Commissioner, Mr Stitz has just inquired whether you're intending to take a morning tea adjournment. I know we took a break before and I'm content to continue but - - -

ASSISTANT COMMISSIONER: Well, I wasn't planning to, I was treating the earlier break as a early morning tea adjournment unless people desperately want one.

40

MR STITZ: I wouldn't mind a comfort stop.

ASSISTANT COMMISSIONER: I beg your pardon?

MR STITZ: I wouldn't mind a comfort stop, Commissioner, if that's - - -

ASSISTANT COMMISSIONER: You do want to take a break, is that what you're saying?

MR STITZ: Yes.

ASSISTANT COMMISSIONER: All right. Well, look, we'll take a 10 minute break at this time.

MR STITZ: Thank you, Commissioner.

ASSISTANT COMMISSIONER: Thank you.

10 **SHORT ADJOURNMENT**

[12.08pm]

ASSISTANT COMMISSIONER: Thank you. Please be seated. Yes, Mr Downing?

MR DOWNING: Mr Hood, just before we had that short break- - -?
---Yeah.

20 - - -I was asking you to look at the invoice at page 789 and you remember the Commissioner was asking you some questions about the handwriting that appears on it?---Yeah.

But it also has a Paid stamp?---Yeah.

And you paid that invoice didn't you?---Yes.

If I could ask you then to have a look at the invoice that appears at page 790?---Yes.

30 That's one of 24 April, 2008?---Yes.

And again that has a Paid stamp. You paid that one?---Yes.

See down the bottom it's got some handwriting on it as well?---Ah, yes.

It's slightly cut off, but is that your handwriting?---Yes.

And does it say, "For quotation purposes- - -"?---Yes.

40 - - -for prospective?"---Yes.

And then what's after that, is that your initial or- - -?---Ah, ah- - -

It might- - -?---I don't know. Prospective, my handwriting's always pretty bad but prospective, I don't know, seriously, I don't know.

Can you recall anything about the circumstances in which you wrote those words on the invoice?---Well, these particular jobs here, they were all

design and construct, where I was ah, contacted by the University ah, either architects or private consultants and offered to price on some of their jobs which basically are predominantly mechanical engineering. I'm not a mechanical engineer but, so I got Nabil to work out what, supply documents and specifications and also quote the job and then I put that in with my overhead, if there's any building works at all involved I put it in and then produce it to them. What's happened in some of these instances is that the consultants may have a budget figure that they've already got and instead of going to tender, if you come in under the budget they would award you the job, but if you go over the budget they don't award it to you and I don't know what they do from that particular point. But if for argument's sake I decided to say no, I don't want to tender it because it's going to cost me money and I may not get it, but even though tenders and quotes all cost you money anyway, but being mechanical engineering it's not exactly up my field, if I said no, well, they wouldn't offer me any more. You've got to tender – when they ask you, you've got to tender.

I understand that, but why do you think on this invoice- - -?---Yeah.

20 - - -you've written the words, "For quotation purposes for prospective?"
---Oh, well, what I meant, that would have been for, for quoting the job only.

But what's the purpose of recording that on the invoice?---Oh, just so I know what it was for, that's all.

Well, doesn't the scope of work refer to that?---Well, it says mechanical engineering design and documentation for the above site, yeah, and I just clarify it by writing that, that's all, nothing else.

30 And when do you think you wrote that?---Probably when I got the invoice.

If I could ask you then to go to page 791?---Yes.

That's an invoice - - -?---Yeah.

- - - in respect, well dated 24 June 2008. It's stamped paid so I take it you paid it?---Yes, I did.

40 And it refers to work at [EDITED]?---Yes.

Or, Holly, I should say?--- Yes.

Whose address is that?---That's my son's house.

Okay. And if I could then ask you to go to page 787?---Yeah.

And that's an invoice dated also 24 June 2008?---Yes.

This time in the amount of \$8720?---Yes.

It's stamped paid?---Yes.

You paid that?---Yes.

Now I've shown you those five invoices?---Yes.

10 Going between the dates 4 August 2007 and 24 June 2008?---Ah hmm.

They're the five that you were able to locate, aren't they?---Yeah.

That I've shown you?---Yeah.

Now you weren't able to locate any other invoices when you made searches?---No.

20 Now if I could ask you to just have a look at some invoices, I'll ask that you accept Mr Faysal has produced for thee purposes of this inquiry?---Right.

If you go to page 696?---Yeah.

Do you see that's an invoice of 3 April 2007?---Yeah, correct.

\$3960?---Yes.

30 And do you recall paying Mr Faysal for that?---Yes. Well if it's in my cheque butts I would have paid him.

Well accept from me that that corresponds to - - -?---Yeah, yeah.

- - - one of the payments?---Well it's paid, yes.

If I can ask you to go back to page 694?---Yes.

That's a date, an invoice of 23 February 07?---Yeah.

40 In relations to the physics building at Sydney Uni?---Yes.

\$4120?---Yes.

And do you recall receiving this?---The invoice?

From Mr Faysal, yes?---Yeah.

And you paid this one didn't you?---Yeah.

If I could ask you to look at page 704?---Yes.

This is an invoice of 10 May 2008?---Yes.

In the amount of \$7940?---Yes.

Referring to work for the mechanical engineering building at Sydney University again?---Yeah.

10 So it's mechanical engineering design and documentation?---Yes.

For the site?---Yes.

That's \$7940?---Yes.

And you - - -?---And that's a design and construct one.

Design and construct?---Yes it is, yes. Design and construct.

20 All right. Now if you just go to page 794 for the moment?---Yes.

That's the record of your cheque in the sum of \$4240 that was deposited into Mr Faysal's - - -?---Right.

- - - company account on 7 December 07?---Right.

And I ask that you accept from me that there's no invoice for Mr Faysal that corresponds with that exact amount?---I don't know, I haven't, I can't remember days just that I paid.

30

Can I ask you to have a look at page 702 bearing in mind that that was a cheque from you for \$4240?---Yes.

Do you see 702 is an invoice not to your organisation but to Rega Controls?---Right.

And you're familiar with Rega Controls from your work at the uni, weren't you?---I met him once.

40 Unaware that Mr Franjeh is the principal of that company?---I didn't know that.

All right. But you knew that they did control panels for the university?---Yeah, he done something up there, I don't know what he done, yeah.

All right. Do you see that that invoice - - -?---Yeah.

- - - actually corresponds with the amount that you paid - - -?---Right.

- - - on, well if it was deposited from you on 7 December 2007?---Mmm.

So this is an invoice dated 2 December 07 not to your company or - - -?---
Right.

- - - organisation?---Right.

But to Mr, well to Rega Controls, but the amounts are the same?---Right.

10

Have you ever seen that invoice before?---This one?

Yes?---No.

You've never - - -?---No.

- - - had a discussion with Mr Faysal about perhaps trying to make invoices
fit particular payments?---No, not that I, I haven't seen these, no.

20

Well have you ever had a discussion with Mr Faysal about making sure that
the invoices that you'd received from him or that he'd prepared fit the
payments you'd actually made to him?---No.

You've never had a discussion?---No, no.

Could I ask you to then have a look at the deposit, sorry, I withdraw that. If
you could look at the deposit record on page 799?---Yes.

30

I took you to that before?---Yeah.

They were two cheques which add up to \$9,550?---Okay.

You accept from me 4,900 and 4,650 is 9,550?---Sure, right.

And that refers to two cheques from you in that amount being deposited?
---Okay.

If you look at the invoices that you've got that correspond to those amounts
- - -?---Yeah.

40

- - - page 788 is the invoice of 4 August, 2007?---Yeah.

Now, that's crossed out and it refers to \$4,650?---Yeah.

But that's an invoice of 4 August, 2007?---Right.

Now, can I ask you, Mr Faysal was someone who would normally give you his invoices fairly soon after he'd done his work, wasn't he?---Yeah, sometimes he did I think, yeah.

Well, he wouldn't take months and months to, to give you invoices?---Oh, some people do.

Well, think about Mr Faysal?---Okay, well, yeah.

10 He was someone that normally gave you invoices fairly soon after the work you didn't wasn't he?---I, I guess so, I guess so.

Well, can you think - assuming that this new price of \$4,650 for the sake of argument is what you're paying him the cheque which we've shown, which is shown being deposited on 5 February, 2008 on page 799 - - -?---Right.

- - - can you think why it would be that an invoice from 4 August, 2007 was being paid effectively six months later?---I paid it six months later did I?

20 Well, do you know if you received it at the time, back in August '07 or - - -? ---I have done that to people, not paid them on time. I have done that.

Well, Mr Faysal was a person who'd normally have contacted you if you owed him money for that period of time wouldn't he?---He may have.

Can I ask you to have a look at page 703?---Yeah.

Just see again that's an invoice to, from NA & CW Investments to Rega Controls?---Yes.

30 In the amount of \$9,550?---Yes.

Now, that's dated 2 February, 2008?---Right.

Now, that's three days before you deposited two cheques which came to a total of \$9,550 - - -?---Right.

- - - into the - well, you provided the cheques that came to a total of 9,550 and they were deposited into Mr Faysal's company's account?---Right.

40 Do you recall ever seeing that invoice before?---Seeing this one?

Yes?---No, never, no.

Did you ever have a discussion with Mr Faysal about perhaps trying to make the invoices fit the payments that you'd made to him over time?

---Absolutely not, no.

Can I suggest to you that the change that's been made to that invoice of 4 August, 2007, you know I took it to you before and you've crossed out a figure and - - -?---Yes, yes.

- - - put in a different figure?---Yes.

Can I suggest to you that that might have happened, that might have occurred in the course of you speaking to Mr Faysal and seeking to make the invoices fit deposits you'd actually or cheques you'd provided to him?
10 ---No.

You deny that?---I deny it absolutely.

Now, is your evidence that in respect of each of the payments you made to Mr Faysal's company that payment was for engineering services he provided to you?---It was for work that he done for me, yes.

On each and every occasion?---Yes.

20 Now, can I ask you other than Mr Faysal how many other mechanical engineers have you retained in order to do work for you on particular jobs?
---Mechanical engineers, probably none.

So he's the only one?---Yes, I think so, yeah.

And you've been in the building game for a number of years before you met Mr Faysal?---Yes.

30 But prior to meeting Mr Faysal you'd never retained anyone to provide any mechanical engineering input to quotes you were doing or work you were doing?---(No Audible Reply)

Sorry, you shook your head before, you need to just say, make, give a verbal response?---Yeah. I'd used engineers.

But I'm asking you about mechanical engineers?---Mechanical.

You knew Mr Faysal was a mechanical engineer?---Yeah, that's right, mechanical. Ah- - -
40

And do you also understand that he has some experience in electrical engineering matters?---Yes, yes.

Well, thinking of mechanical engineers, have you ever, other than Mr Faysal, retained someone to help you with a quote or to do work on a project that you had a contract for?---To do work on a project I may have.

Who?---I can't remember.

When?---Oh, I couldn't remember, I couldn't remember. I just, I think I may have had mechanical engineer.

I thought not long ago that you said to the best of your recollection that you hadn't retained a mechanical engineer previously?---That was about half a minute ago.

10 Yeah. Are you now thinking about it and think you might have?---I may have, but again, we're talking 2007, aren't we, or 2006?

Well, Mr Faysal seems to be, according to your records, someone that you were making payments to and doing- - -?---Yeah.

- - -work with?---Yeah.

He was doing work for you- - -?---Yeah, yeah.

20 - - -from about mid 2006 through to mid 2008?---Yes.

Surely if in 2003/2004/2005, if there had been someone else who was doing mechanical engineering work for you, you'd be able to tell us who that was? ---There was a, I don't know whether he was a mechanic or structural, I can't remember, but there was a bloke in the UTS that used to do a bit of work for me also and the UTS put me onto him. Now, I can't remember whether he was mechanical or structural, and he used to do contract work for the UTS and I used him a couple of times.

30 Well, do you think he might have been a structural engineer or a mechanical?---Well, I can't remember.

But is the fact that the only records you have of payments to anyone- - -? ---Yeah.

- - -for engineering work are in respect of Mr Faysal?---Yes, yeah, yeah, I think so.

40 No other records you can point to of payments you've made to other persons or companies- - -?---No, I don't think so.

- - -for engineering?---No, I don't think so, no.

Now, Mr Hood- - -?---Yeah.

- - -you've been in the Commission today and heard the evidence that came before you?---Yes, I heard that, yeah.

Can I ask you whether Mr Faysal at any point ever asked you to just give him some money?---No, no, no.

And asked you that you might give him some money, not in return for work he would do- - -?---No.

- - -but because he wanted money from you?---No, no.

You deny that?---Yes, I do, yes.

10

You're familiar with Mr Cady and Mr Boobyer, aren't you?---I know them, yes.

Are you aware of the evidence they've given to the Commission?---I've heard it.

Are you aware that the evidence they've given is that they were asked to provide money to Mr Faysal, not in return for work that he would do for them but- - -?---Mmm.

20

- - -purely that there was a request that money be given to him?---I did read that, yeah.

And they've given evidence that invoices from NA & CW Investments - - -?---Yeah.

- - -similar to the ones that I've taken you to today- - -?---Yeah.

- - -were then issued by Mr Faysal in order to cover those payments?

30

---Yeah, I heard that, yeah.

Did that occur with you?---No, it didn't, no.

Right. If I can ask you then to go back to the invoice at page 788. That's the 4 August 2007 invoice- - -?---Yes.

- - -from NA & CW Investments to you in respect of the physics building - - -?---Yes.

40

- - -at Sydney University?---Yes.

Now, can I ask you how it was that you first came to retain Mr Faysal to do engineering work for you?---Ah, well, he was talking about his own business and what he, as I said before, what he could do overseas and I just thought, well, I asked him, I said, if you do this sort of work, do you want to give us a price and do a couple of jobs.

I thought that your evidence was before that to the best of your recollection his indication to you was that he had some business interests in the Middle East?---No, no.

And that you thought that it had something to do with construction?---No, that's not correct, no.

Was that not your evidence earlier today?---Today?

10 Today?---Today, yeah, today he did, he told me initially that he had a business, that he used to run a business in the Middle East, yeah, but when – ask that question again, would you, I- - -

All right. How was it that you first came to retain Mr, Mr Faysal, through his company, NA & CW Investments- - -?---Yeah.

- - -to perform work- - -?---Yeah.

20 - - -or provide services to you?---Yeah. He'd mentioned to me at the UTS that he could do mechanical services and all that and he had his own company.

All right. Now, can I ask, generally speaking when you pay people on jobs that you are doing or in respect to jobs you're doing- - -?---Ah hmm.

- - -do you normally get billed on a per hour basis?---No, normally it's a quote.

30 Right. They give you a quote for an overall scope of what they're going to do?---Most of the time.

So each of these invoices from Mr Faysal has a lump sum dollar figure? ---Mmm.

Do you say that quotes were provided to you in respect of each of those jobs?---I don't think so, they were just verbal. Just verbal. I do that a lot.

40 Did you, can I ask you, before you received each of these invoices do you say that you were told a price by Mr Faysal or that it came, you just got the invoice and thought it seems a fair figure?---No, no, no, he would've told me how much it would cost to do it.

Wouldn't you normally receive written quotes from people about this sort of - - -?---No, I don't, no. No, I don't.

Now this particular invoice that I've taken you to 4 August 07 refers to a scope of work on Mr Faysal's part of mechanical engineering design and documentation for the ventilation system of the basement of the site?--- Yes.

Now do you recall that he provided you with design and documentation or design drawings and documents in respect of this work?---He would've done something like that, yes.

Right?---Mechanical engineering design and documentation basement site physics, yes.

And do you still have those documents?---No. No, I don't.

10

Do you have any documents in respect of the work that Mr Faysal did on this job?---No, no.

You obviously - - -?---All the documents that I have is what I gave to ICAC because everything else was destroyed a year and a half ago.

Is that in the flood?---Yes, it was, yes. Yes. I had to clean the whole the bottom of the house out.

20

Okay. Can you, doing your best now, describe what particular work Mr Faysal did in respect of this job? So, we're talking about the physics building?---Mmm.

His description is that he's done mechanical engineering design and documentation for the ventilation system of the basement of the site?---Yes.

Can you recall, doing your best - - -?---Yeah.

30

- - - what it was that he actually did?---Well we had a system in there, a pretty big system in there, and it wasn't doing what it was supposed to be doing. And I asked him to come in and have a look I think, and - - -

So he came on site and looked at it?---He came on site, had a look and worked out how you get it working better and I personally thought he actually done, supplied and done a little bit of duct work which is not mentioned there. But I thought he done a bit of duct work in there also.

40

Well is your recollection that he actually obtained the materials, organised the trades people and did the duct work himself?---Well, I think he, no. He didn't do it himself he just got trades people, yeah.

But organised the job?---Organised, yeah, yeah. To do the alteration to suit, to get it working right.

So is your evidence that he first of all drew up the design, the drawings and the design documents for the job?---He would've done stuff like that, yeah, yeah.

And was that for the purposes of a quote from you?---A quote?

Did you provide a quote to the university in order to get the job in the first place?---Yeah, I'd already, I'd already won the job, yes.

So you brought him in after you already got the job?---Yes, yes.

Okay?---Yes.

10 So he then, and did the scope of your work include that you had to do ventilation in the basement?---Yes.

And you say that he then drew up the particular design drawings and documents in respect of the ventilation system for the basement?---To alter the existing one down there, yeah.

And he then - - -

20 ASSISTANT COMMISSIONER: Sorry, was that what you were supposed to do?---Down in the basement?

Yes. Alter the ventilation system?---Yeah.

You didn't have to put in a new one?---No, no.

30 So the work that you tendered on or got included what, revamping the ventilation system?---There was, there was a system down there. There was a system down there put in by another company, I think it was issued, it was organised by the university and it wasn't working correctly. And I won the tender to do the job.

To what, fix the ventilation system?---Not just the ventilation but to build the whole project.

Because, all right. As a builder, do you normally do the ventilation systems?---Quite often they incorporate it in the builder's price, yeah. But then some - - -

40 And your price included doing what, building work in the basement?---Building work in the basement.

And fixing the ventilation system?---Sometimes the universities take it out of your contract and they do it themselves, and then sometimes - - -

I'm just asking you - - -?---Okay.

- - - what was the contract you had? Was it to fix the ventilation? Is that part of what you had quoted to do?---Yes, I think it was, I think it was. Yeah.

Yes, Mr Downing.

MR DOWNING: Thank you. Mr Hood, so, doing your best, you believe that he drew up the design documents and drawings for the ventilation system, that is the alterations to it?---Do the alterations to it, yeah.

10

But then he actually in effect did, organised the work himself. I'm not suggesting he got on the tools himself - - -?---No.

- - - but he organised the tradespeople - - -?---Yeah.

- - - and organised the materials?---Yeah, yeah.

And what, was he there on site supervising the actual ventilation work? ---Oh, he would have turned up sometime, yeah, I wasn't there much anyway.

20

Can you recall how long that job took, and I'm talking about the part that is described in Mr Faysal's invoice, the ventilation alterations, how long did that take?---Oh, I don't know. I think the whole project was about eight weeks probably I guess, about eight weeks normally so I mean his part of the job might have taken a week I suppose, maybe.

And do you recall that he was there, I take it that was during week days? ---No.

30

Was it on weekends?---It would have been weekends I think, yeah, weekends.

Why do you say that?---Well, he was working at the UTS through the week.

So you're just basing him being there on weekends on the fact that you knew he had a full-time job?---Weekends or, or out of hours but, yeah.

You don't recall him being there during normal working hours?---No, no, no.

40

Can I suggest to you that what you described Mr Faysal doing on that site, that is the physics building at Sydney University, is not a truthful account of any work that he did, do you agree or disagree with that?---It is truthful?

I'm suggesting to you that what you've told us is not a truthful account of what Mr Faysal did in respect of the Sydney University physics building? ---No, I'd say it's truthful, it is truthful.

Right. Do you say he came on and was actually, came on site and was in effect organising the work and the materials for the duct work?---Well, a little bit of duct work I guess, yeah, yeah.

Can I suggest to you that he didn't have anything to do with the physical duct work that was being done?---I don't think he done anything physical, no.

10 Well, but what I'm suggesting to you is that Mr Faysal is an engineer, you knew that?---Yeah, yeah, yeah.

He doesn't organise tradesmen to do jobs does he?---I think so, yeah.

Do you say that he what, bought the materials and organised tradesmen to come on site - - -?---Oh, and he would have just got some tradesmen to do it, he would have told them to get it.

20 But you're also suggesting that he organised the materials aren't you?
---No, no, no, no,

Do you say that he, what, bought the materials and organised tradesmen to come on site - - -?---Oh, he would have just got some tradesmen to do it, he would have told them to get it.

Just, but you're also suggesting that he organised the materials aren't you?
---No, no, no, no, I'm not saying that he organised materials.

30 You're not?---No, no.

Do you recall that when you came and gave evidence for the purposes of your compulsory examination you were asked this question, "So it's the case that Mr Faysal" - and we're talking about the work that I'm asking you about in relation to the Sydney Uni physics building in the 4 August, 2007 - - -?---Yeah, yeah.

- - - invoice?---Yeah.

40 You were asked, "So it's the case that, that Mr Faysal's company was subcontracted to do the installation of the duct work, not just the design of the duct work?" and you said, "Yeah, yeah, that's right, yeah"?---Mmm.

And you were asked, "And to install the duct work - - -?---Mmm.

- - - ie did he, did he just provide the labour for it and, and subcontracted to do that or did he actually provide the actual ducts themselves too?" and your response was "Yes, he supplies labour and material"?---Yeah, but under his company, under his company. That's what I meant, I mean - - -

So is your evidence that he provided, he organised the duct work material, the ducting?---His company, I give it to his company to do the job and he sublets it out to somebody else I guess, you know. That's what I meant.

Can I suggest to you that that's not a truthful account of any work that Mr Faysal did?---Well, that, that was, that was what I meant.

10 You've done work beyond this one job at Sydney University haven't you?
---Yes.

And you're familiar aren't you with the fact that in order to do work at Sydney University - - -?---Yeah.

- - - you need to do an induction?---We never done no induction then.

In 2007 you say you did no induction?---No, we didn't do no induction, there.

20 Well, can I suggest to you that contractors had to do an induction in 2007?
---They, they organised, at Sydney University they organised all the contractors to come into their main office and do an induction course and they gave everyone cards, all right, and from that point onwards they never done another induction course, they only done it once.

What, you're saying what, once in history or once for a job?---Once as far, once as far as I, I knew.

30 Are you talking about a particular job or are you saying just - - -?---No, the whole lot.

So there's been one induction course?---Yeah, yeah, yeah. One induction.

All right. Can I suggest to you that's not true, that there's a requirement that existed in 2007 that you needed to be inducted if you wanted to do work at Sydney University?---Well, I've been working at Sydney University for around about 27 years, I've been working there for about 27 years and I done one induction course.

40 All right. Is it the case that people doing work at Sydney University also had to have an ID card?---No.

So you've never had an ID card?---No, I never had an ID card.

Can I suggest to you that that's a requirement of doing work at Sydney University?---It may be now but it wasn't then.

No, in 2007?---Well, I never had one.

Did you have to sign in as being a contractor if you're doing work at Sydney University?---Sign in where?

That is sign in with the University to say you're onsite doing work?---No.

So you disagree that that was a requirement at any time?--- Yes.

10 Now, the physics building that this invoice relates to, do you recall that the contract that you had won was to refurbish the basement?---Yes.

And that involved providing about 80 metres square of lab space?---Yeah.

And do you recall that it was in three rooms next to each other?
---Something like that yeah.

20 Now, can I ask you to tell me whether you agree or disagree with this. But according to the Sydney University records, the dates show that the project account was created in March 2006 and it was closed in March 2007?
---Right.

Does that accord with your recollection?---Look, I don't know, but go on, yeah, I don't know.

Well, Mr Faysal's invoice to you is 4 August, 2007?---Right.

I've shown you that already?---Right.

30 I think you agreed with me that his bill related to two things, it related to the design and documentation for the ducting part of the work- - -?---Mmm.

- - -and actually doing the work?---Ah hmm.

Is your recollection that he provided that at or about 4 August, 2007, which is where the date is which is recorded on the invoice?---Ah, oh, look, I can't remember that, you're muddling me a bit, I can't remember that, but go on.

40 Well, the records from the University suggest that this particular project was closed, the account was closed in March '07?---Right.

Do you recall that you didn't receive a single bill from Mr Faysal, despite the fact that his bill covered both design and documentation work and physical work- - -?---Ah hmm.

- - -until some five, five months after the job was closed? Is that your recollection?---It's, it's not my recollection, but if it did happen, well then it just got delayed, that's all.

Now, do you – in, in respect of the work in the basement of this building
- - -?---Mmm.

- - -you've referred to duct work. Is that part of the air conditioning system?
---Yeah, they do a bit of duct work, yeah.

But, no, but the duct work you've described- - -?---Yeah.

10 - - -that's part of the, sorry, it's part of the air conditioning system?---Yeah,
yeah.

The records from Sydney University I want to suggest to you actually show
that Coral Air Conditioning- - -?---Yeah.

- - -were subcontracted onsite to do the air conditioning?---That's right.

20 So why was Mr Faysal doing duct work if another company was there doing
the air conditioning work?---They had Coral Air in there to do the air
conditioning and I think they done a bit of duct work, and then when they
finished I got Nabil in to do some alterations to it because it wasn't working
the way that I think the university expected it to.

Okay. So do you say that someone contacted you after the job was finished
and told you that the system wasn't working?---Yeah, yeah. No, it was
working, but they wanted something changed on it so I got him in to do it.

30 I'm suggesting to you that what you're telling us is not a truthful account of
the work that you did in respect of the physics building at Sydney
University?---No, it is. It is.

ASSISTANT COMMISSIONER: Sorry, I don't understand why you'd be
asked to fix up somebody else's work. Coral Air Conditioning did it, didn't
they?---Well, Coral Air - - -

Have you got any connection with them?---I think the university may have
contacted them, contracted them to do it.

Yeah?---And then, and then - - -

40 And when they weren't happy with it they rang you up and asked you to get
it fixed up?---Yeah, probably.

Well that is ridiculous. You know I have a lot of problems with your
evidence. It's a very serious offence to give false evidence to the
Commission?---Yes, I know.

It's punishable by up to five years imprisonment. Do you understand that?--
-Yes, I understand that. Yes.

Well the evidence you're giving doesn't make any sense. It appears to be contradicted by the records that the university has in several important respects. I'm going to take a lunch adjournment now. I'd like you to think very seriously about your evidence over the luncheon break because we've been investigating this matter for some time. We have a lot of records?---
Mmm.

10 We have a lot of information from other people?---Mmm. Mmm.

And I'd like you to think very seriously about the evidence that you're giving?---Okay.

We'll adjourn at this stage at 12.55.

MR STITZ: Just before you adjourn, Commissioner, could I seek access to those records?

20 ASSISTANT COMMISSIONER: You'll be given access during the course of the inquiry, Mr Stitz.

MR STITZ: Before this witness concludes his evidence?

ASSISTANT COMMISSIONER: Any relevant documents will be put to this witness in due course and you will then be given access.

MR STITZ: Thank you, Commissioner.

30 ASSISTANT COMMISSIONER: We'll resume at 2.00pm.

LUNCHEON ADJOURNMENT

[12.55pm]