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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE DAVID IPP AO QC

PUBLIC HEARING

OPERATION SIREN

Reference: Operation E09/1228

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON MONDAY 6 SEPTEMBER 2010

AT 2.20PM

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

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

THE COMMISSIONER: Mr Buckley, would you take a seat, please. Mr Buckley, you're still under your oath to tell the truth?---Yes.

<KENNETH JOHN BUCKLEY, on former oath [2.18pm]

THE COMMISSIONER: Mr Payne.

10 MR PAYNE: Mr Buckley, I now want to ask you some questions about your relationship with a man called John Poyntz, P-O-Y-N-T-Z, an authorised constructor with a firm called Ti-West Pty Limited?---Yes.

You know Mr Poyntz?---Yes, I believe so.

In September, 2009 you were the inspector in relation to work Mr Poyntz and his company was involved with at the Britannica Estate at Lidcombe, which is 22 Joseph Street, Lidcombe?---Correct.

20 And in relation to that job, I want to suggest to you that Mr Poyntz made a cash payment to you?---Yes.

You agree?---Yes.

In return for you agreeing in effect to allow a connection to be cut into the Sydney Water system at a date prior to when you would otherwise have allowed him to do so?---That's correct. Yes.

30 So, so just to recap. You received a payment offered to you by Mr Poyntz for you to allow him to do something that you thought was not in strict accordance with Sydney Water policies?---That's correct.

Do you agree with me that on the description that you gave the Commissioner prior to lunchtime, that was accepting a bribe?---Yes, it's a bribe, yes.

And you accepted money from him in relation to that?---Yes.

40 Being \$200?---I think so, I'm not sure. I think so.

And when we were discussing prior to the luncheon adjournment I think you told the Commissioner that other than the case of Mr Nasrallah, you had never solicited a bribe. You agree with me do you that on many occasions then you accepted a bribe offered by somebody else?---Yes.

I see. And the characterisation you were offering the Commissioner this morning of gifts you received properly analysed what you are saying is that

you took money offered by constructors for you to look the other way, you accepted bribes?---I accept them, but sometimes they were just a thank you.

Well, in the case of Mr Poyntz who we were just talking about - - -?---Yes.

- - - you accepted money from him to look the other way about what you regarded as a breach of Sydney Water Police?---A short cut process, yes.

10 A short cut. And I suggest to you that on many occasions you accepted money from constructors in order to permit them to take what you would term a short cut?---Yes.

And that in your own terminology as you were explaining to me before the break, you accept don't you that you accepted bribes on many occasions from authorised accredited constructors?---Yes.

20 I just want to ask you one, one or two more things about Mr Poyntz which I'm going to suggest to you are examples of your conduct in relation to Sydney Water authorised constructors. It was typical wasn't it when you were accepting money or accepting a bribe from a constructor that you would arrange to meet them off site?---No. Usually it was on site.

So on most occasions when you would accept a bribe, it was on site was it? ---Yes.

In relation to accepting this bribe from Mr Poyntz was it on site or off site? Do you remember?---On site, I believe.

30 And that was because you were going to allow him to cut a corner and do something earlier than it should've happened in the process?---That's correct.

I think in fairness to you I'll nevertheless play this tape, if you'd listen to this. I'm sorry, prior to doing that, your mobile telephone number whilst at Sydney Water was 0-4-0-9-3-1-5-5-2-3?---That's correct.

A phone provided to you by Sydney Water?---That's correct.

40 And whilst at Sydney Water, I think you told me before the luncheon adjournment you drive a Sydney Water fleet car, registration number A-Y-4-8-Z-D. Is that the vehicle that you drove?---Yes, that's correct.

I have statements making that good. I tender those.

THE COMMISSIONER: Well if Mr Buckley has admitted it, is it necessary to - - -

MR PAYNE: Perhaps not, Commissioner. I withdraw the tender. Mr Buckley, if you'd just listen to this recording.

THE COMMISSIONER: Do we have a transcript?

MR PAYNE: There is a transcript. I'll tender that.

THE COMMISSIONER: Perhaps, it's always easier to follow the transcript before it's played.

10

MR PAYNE: Yes. I'll hand one up, Commissioner. I'll get one for Mr Buckley as well so he can follow it as well. Yes, I tender that.

TELEPHONE INTERCEPT PLAYED

[2.25pm]

MR PAYNE: Yes. I tender that transcript and the sound recording, if the Commission please.

20

THE COMMISSIONER: Exhibit P14 is the audio recording and transcript of a telephone conversation between Mr Buckley and Mr Poyntz on 22 September, 2009.

**#EXHIBIT P14 - TRANSCRIPT OF TELEPHONE CONVERSATION
& AUDIO RECORDING DATED 22 SEPTEMBER 2009**

30 MR PAYNE: Mr Buckley, if you can look at the second page of that transcript that I've shown you. The respects in which you were permitting Mr Poyntz to, to cut corners for the payment of money were you were going to attend early firstly at his request?---Yes.

Secondly, what he was suggesting was not supposed to be done until the end of the job but you were going to permit him to do it now because of the payment?---Correct.

40 Thirdly, you were agreeing that he could leave the trench open and you would inspect it without anybody else there and in effect pass it because of the payment that he was offering you?---Yes, as long as it looked to be done correct, yes.

And so you agree with me then in at least those three respects you were permitting Mr Poyntz to cut corners because he had offered to pay you money?---That's correct.

And you accepted that payment which you accept was a bribe paid by Mr Poyntz?---Yes.

I take you then, in fact before I do that, should the Commissioner understand in respect to Mr Joseph Nasrallah that we were talking about this morning, and I think you agreed with me that on 30 occasions you accepted payments from him.

THE COMMISSIONER: About.

10

MR PAYNE: About 30 occasions, that you, that the proper characterisation you would say of those moneys were the acceptance by you of bribes to permit Mr Nasrallah to cut some corners?---Sometimes, not always.

Have you had occasion to reflect over the lunchtime about Mr Sadek Nasrallah and whether you received any payments from him?---I can only ever receive, remember I think receiving a couple of times \$50. That was all.

20

From Mr Sadek Nasrallah, you remember getting \$50 from him a couple of times?---Yeah. That's about all, yes.

And do you agree with me that they were payments made by him in your mind to permit Mr Sadek Nasrallah to, as you put it, cut some corners? ---No, he just gave me the money, no.

So you say that in respect of Mr Sadek Nasrallah there was no bribe involved because you say you didn't let him cut any corners. Is that what you say?---That's correct. Not that I can recall.

30

May I ask you some questions about a Mr Ryan, who is related to a company, Mystold, M-Y-S-T-O-L-D, Pty Limited, an authorised constructor- -?---Yes.

- - -for Sydney Water?---That's correct.

That's Mr John Gerard Ryan?---Yeah.

You know him?---Jerry Ryan, I think.

40

Known as Jerry Ryan, yes?---Yes.

And do you agree with me that in relation to a project at 15 Percy Street, Auburn, in September 2009, Mr Ryan made a cash payment to you? ---I think he gave me \$50 or something. I'm not a hundred per cent sure.

And that was so that you would permit him to cut some corners?---No, there were no, no corners cut out there.

What conversation did you have with Mr Ryan about the \$50 that he gave you?---I can't recall. I think he just gave it to me and said, "Buy yourself a drink, you've been a good help."

At what stage of the project was it offered to you?---Near the end I think.

Do you remember the circumstances in which it was paid, was it onsite or offsite?---Ah, I think we were having a cup of coffee offsite.

10

And he paid you \$50?---I think so, yes.

And do you remember where this coffee shop was?---Oh, I think it was near the site.

Do you remember anything else about what Mr Ryan and you spoke about during this meeting?---No.

20

When you say no corner were cut on this project, you have a clear memory of the circumstances in which the cash was paid and where the project was up to, do you?---Fairly good. It was a big project, yes.

And that's in September 2009?---Yeah, I think so, yes.

And so you have a clear memory of your involvement throughout in this project sufficient to say- - -?---That one is a very big project, that one.

30

I think before the adjournment you were having some trouble with your memory about this period in 2009, but you say that on this occasion at least you've got a crystal-clear recollection of all the steps you took in relation to - - -?---Fairly good. That was a very big project.

Can I ask you about a Mr Patterson- - -?---Yeah.

- - -from Allpipe, A-L-L-P-I-P-E, Constructions, an authorised constructor for Sydney Water?---Yes.

40

You accepted cash payments from Mr Patterson in relation to a number of jobs, didn't you?---No.

Well, did you accept cash payments at all from Mr Patterson?---No.

You're quite certain, are you, that on three occasions he didn't pay you \$50?---Yes.

How can you be so sure?---I remember John Patterson because he used to be an ex-Water Board chap. I knew him reasonably well.

Did that make a difference in soliciting or receiving money from him?---No, it's just that I can remember him.

Well, I suggest to you that you did know Mr Patterson from the days of the Water Board and that you understood that your reputation for being difficult or picky with Water Board requirements was well-known to Mr Patterson to your knowledge?---I know Mr Patterson always done a very good job.

10 I suggest to you on three occasions he paid you \$50 so that he did not get unfavourable treatment from you. Do you agree?---No, I don't recall ever receiving any money from John Patterson.

Approximately how many constructors have you received cash payments from in your period with Sydney Water, Mr Buckley?---I have no idea.

Could it be more than twenty?---Could be, yes.

20 In what percentage of the jobs that you performed for Sydney Water would cash payments be offered and made?---Maybe three or four times a month, sometimes none at all.

And of those, a number would be payments made in order to get you to look the other way or permit them to cut corners. Is that what you say?---Usually just to short cut a process, maybe half of them, half of them were just, go and buy a beer.

30 And your, I think you agreed with me before the luncheon adjournment that you knew that you had a reputation for being difficult or picky about Sydney Water requirements. Correct?---I don't, didn't realise I had that sort of reputation.

Well, you cultivated that sort of reputation, didn't you?---If I did, I didn't realise I was doing it.

I'm sorry?---If I did, I did not realise I was doing it.

Yet nevertheless in order to permit corners to be cut there would be many many occasions when you would accept money. Correct?---Yes.

40 Are you able to estimate on how many occasions you have accepted cash payment in effect to look the other way?---No.

THE COMMISSIONER: When you say that there were more than twenty contractors who paid you money, could there have been more than thirty?
---I'm not sure over the - - -

Possible?---Possible.

More than fifty?---No, I don't think so.

MR PAYNE: During the time that you were conducting these inspections during the inner west, in the inner west area of Sydney, how many authorised constructors were there active in the inner west, do you know?

---No, I don't know.

Can you think of any who did not offer you cash payments during that time?---Not off the top of my head, no.

10

So if what you say is true, that Mr Patterson never made a cash payment, he would be quite, he would be unique amongst the- - -?---No, the- - -

- - -constructors because you remember?---I can't remember all of them. I'd have to look through the list maybe.

Could it be, just to be completely fair to you, Mr Buckley, could it be that your memory has let you down and that you did receive cash payments on three occasions from John William Patterson in relation to work he was doing?---I honestly can't remember ever receiving any money from John Patterson.

20

But it's possible you did?---Very unlikely. I honestly can't remember ever- - -

Can I then ask you about an authorised constructor, Mr Kennedy, Mr Gerald John Kenney, associated with a company called Alt, A-L-T, Constructions? ---I can't recollect the name or the company. Unless you've got an audit report or something?

30

Right. Do you remember work being done at 97 Queens Street, Queens Road, I'm sorry, in Five Dock?---There were a few down there.

At the beginning of 2009. I do have an audit report if it would assist you.

Would it assist you if I can hand these up, Sewer Main Connection Report. You see that, Mr Buckley, your signature appears in three places?---Yes, correct.

40 Apparently dated January 2009?---Yes.

You see at the top Location of the Project 97 Queens Road, Five Dock? ---Yes.

The constructor, Alt Constructions?---Yes.

Does that assist you to recollect this job?---Vaguely, the company I think I might have only dealt with them once.

Yes, I tender that document, if the Commission please.

THE COMMISSIONER: Yes. The Sewer Main Connection Report of 23 January, 2009 is Exhibit P15.

#EXHIBIT P15 - SEWER MAIN CONNECTION REPORT DATED 29 JANUARY 2009

10

MR PAYNE: Mr Buckley, I suggest to you that a payment of \$300 was made to you by Mr Kennedy in relation to this project. Do you agree?---I don't, I can't recall if he gave me any money. Maybe he might have given me \$100, I don't know, I can't remember it.

Is the position that you were paid cash by constructors so often and in such regular amounts that you just can't really remember now which job was which when you received money. Is that what you're saying?---I can't
20 always think back to all these jobs, there's been a lot of, many jobs I've gone to.

THE COMMISSIONER: But receiving money was not an unusual thing, was it?---No.

So it must, that's what makes it difficult to remember whether you received money in regard to one job or another job or you didn't?---Possibly, yes.

MR PAYNE: And receiving money to in effect allow corners to be cut was
30 not usual either so you can't remember you say - - -?---The only job I could remember out, there were two jobs in, in Queens Road but there were no shortcuts made on them to my recollection.

You remember sufficient about the jobs to tell the Commissioner that there were no shortcuts or turning a blind eye in relation to this job, do you?
---That's correct, because there's only two that I can recall in Queens Road.

Well, having that recollection I suggest to you that \$300 was paid to you by Mr Kennedy on either 16 or 23 December, 2008, do you agree?---I can't
40 recall.

Can I ask you about a Mr O'Donnell?---Yes.

Mr O'Donnell known as Bill O'Donnell?---Yes.

Operating under Bill O'Donnell Contractors?---Correct.

Being authorised or accredited Sydney Water constructors. You know Mr O'Donnell?---Yes.

You have been the inspector in relation to projects involving Mr O'Donnell?
---Yes.

And in particular one at 15 Ilma, I-L-M-A Street in Condell Park - - -?
---Yes.

10 - - - in 2010?---Yes.

This year?---Yes.

You received a cash payment from Mr O'Donnell in relation to the Condell Park project, didn't you?---Yes.

And that was so that you would not invoke the full letter of the authority of Sydney Water on Mr O'Donnell, wasn't it?---No, that was just something he gave me at the end of the job.

20

Well, what conversation did you have with him about this payment?---I can't recall, he just, I think he said there's a drink there for you.

Well, it's March 2010, do you remember any more than that?---No, just that I think the sewer was being encased there.

THE COMMISSIONER: I beg your pardon?---The sewer, sewer line was being encased in concrete.

30 MR PAYNE: And at what stage of the project were you offered and did you receive \$100 from Mr O'Donnell?---At the end of the project I think.

Would that have been 30 March, 2010?---It could have been.

I'll show you a document to assist your recollection. Is that a copy of your diary, Mr Buckley?---Yes, it's a rough copy, yes.

And it's the entry for 30 March, 2010 and I'd invite your attention about two-thirds of the way down - - -?---Yes.

40

- - - if I could invite Inspector Fox to make that larger. It says, help me, encasement 15 Lima Street, Condell Park, Billy O'Donnell?---Correct.

Encased something 12 metres of 300mm sewer main, is that next work starts?---Yeah, starts, yes.

104m C/LUSMH. What does all that mean?---1.4 metres from the centre line of the upstream manhole.

And you've made a notation on the right-hand side on a number of these entries and I think the notation here is 02.00, do you see that on the far right-hand side?---Yes.

What are those notations?---Of, we work out our times for pay.

For the purposes of reporting back to Sydney Water about what you've been doing during the day?---Yes.

10

And did you ever make a note or a record of cash payments you received?---No.

Looking at this document to assist your recollection, was it on this day that \$100 was paid to you by Mr O'Donnell you believe?---I can't remember, it could have been before, I'm not too sure.

And you say do you that you didn't offer any shortcuts - - -?---No.

20

- - - to Mr O'Donnell in relation to this project?---No.

Why did you think he was paying you?---Possibly because I help him out sometimes, I turn up on site when he needs, when he rings me I answer them and he couldn't do the job in one day, he had to do it over two days. I came back the second day and he, he completed the job.

Wasn't that your job, Mr Buckley?---Yes.

30

So I ask again, why did you think he was paying you to do your job?---I don't know.

So on those occasions when you weren't turning a blind eye and in your mind receiving a, a bribe, why didn't you say to any of these people what's this money for? What am I expected to do for it?---I just accepted it, I suppose it's gone on for a few years and people used to just say there's a bottle of scotch or go and buy yourself a beer.

40

THE COMMISSIONER: The amounts involved are much more than a bottle of scotch or a beer?---Yes, \$50 or \$100, yes.

And you knew it wasn't just to buy a beer, I mean, that might have just been code for saying here's a bribe, look after me in the future?---I understand it seems like that but you'd never done any shortcuts on the job.

Could it be that sometimes for this particular contractor you, you would come on site pretty rapidly and wouldn't delay?---I never delayed any because the commencement notices come in and they were the days the jobs started.

So you attend site for the same, rapidity for every single contractor?---Yes.

You do the same for Mr Nasrallah as you do for Mr O'Donnell?---Yes.

No difference?---No.

10 MR PAYNE: You said a moment ago Mr Buckley, this had been going on for some years. It was going on for some years with Mr O'Donnell. Is that what you intended to convey, you'd been accepting cash payments from him for some time? Is that what you - - -?---It's been a couple of times previous.

How many occasions had you taken money from Mr O'Donnell?---Maybe two or three. I can't recall.

And in what amounts?---50 or \$100.

20 Do you remember the jobs?---No.

Did it ever occur to you, Mr Buckley, that having accepted money from these constructors that you were beholden to them in the future?---No, because I'm sure they realised I wasn't like that.

Well, did it ever occur to you that if one of them said to your superiors I've been paying money for some years, in fact, to Mr Buckley, that they may not have viewed that favourably?---Never thought of it.

30 It's just inconceivable to you that it could happen?---I didn't think so. make sure that the payments were concealed from the sight of others?--- They used to sort of conceal them, they'd sort of pop it in, pop it in the car or put it your pocket or something like that.

Didn't you cooperate with them in that?---Sorry?

Didn't you cooperate with them in keeping the payments secret?---Yes, I suppose I did.

40 Why?---I don't know.

MR PAYNE: Well, you knew it was quite wrong didn't you?---I think so, yes.

You knew that if you were accepting money to allow corners to be cut that on anyone's definition that was accepting a bribe. You nodded you meant yes?---Yes.

And you'd been doing it for years?---Yes.

THE COMMISSIONER: And Mr Buckley, you are not alone in this, really?---I don't know anybody else.

MR PAYNE: I tender the page of the diary, if the Commissioner pleases.

THE COMMISSIONER: Yes. Exhibit P16 is an extract from Mr Buckley's diary of 30 March, 2010.

10

**#EXHIBIT P16 - EXTRACT FROM MR BUCKLEY'S DIARY
DATED 30 MARCH 2010**

MR PAYNE: And I'll ask you Mr Buckley about a Mr Romanous, R-O-M-A-N-O-U-S, Raymond John Romanous associated with a company called Strathfield Plumbing and accredited constructor for Sydney Water?---Yes.

You know Mr Romanous?---Yes.

20

You have been involved in a number of jobs where you were the inspector and he was the constructor?---That's correct.

And on a number of occasions you've accepted cash payments from Mr Romanous?---That's true.

I suggest to you that at least three of those, one was 134 Rodd, R-O-D-D Street at Sefton. Do you remember that job?---No, sorry.

30

It was in 2000. So 10 years ago, I suggest to you that you accepted a payment from Mr Romanous in relation to that job?---I can't recall back that far.

But you certainly were accepting money from constructors 10 years ago weren't you?---Possibly. I can't remember.

All right. Well, surely you remember when you first started taking money from constructors, Mr Buckley?---No, I don't.

40

THE COMMISSIONER: Perhaps you started when you commenced your job?---I think so, I'm not too sure.

Perhaps you started when you commenced your job because that was the done thing that everybody was doing at the time?---That's the way it appeared to be. I didn't notice anybody else doing it.

Well how could it appear to you that way if no one else, if you didn't notice anyone doing it? I don't understand that. Can you explain that, please?

---It's hard, the constructors used to walk up and say there's a bottle of scotch or a carton of beer or sometimes they'd give you \$50.

You mean they would do that without you inviting them to do it or asking them?---That's correct.

So you inferred that they did it to others?---Yes.

10 Did you ever speak to your colleagues to find out whether the same thing was happening to them?---No. Never had any dealings with the other areas.

Were you the only inspector in your area?---There was another bloke, but he looked after the water section.

So you had no contact with people who do the same work as you do in Sydney Water?---That's correct.

20 MR PAYNE: And none of your supervisors I think we established this morning ever travelled with you to any of these jobs to see what you were doing?---That's correct.

And you never had a discussion with any supervisor about any of these matters?---No.

And you certainly never had, I think you told me this morning, any training drawing your attention to potential pitfalls of accepting money from constructors?---No.

30 Although you knew that you couldn't do it?---You're not supposed to, no.

THE COMMISSIONER: So there's no Code of Conduct that applies to you?---Yes, there is a Code of Conduct, but I can't remember it.

So you never, have you been never, have you ever been asked by anybody at Sydney Water to read it?---Not that I can recall.

And how did you get it? Did you get a copy, been given a copy?---I can't recall now.

40 Have you ever seen a copy?---I think over the years I've seen something, but - - -

Have you ever been given any training on how to behave with contractors? ---No. We never had any training, 'cause they'd all, I did ask a couple of times for training on auditing, but nothing ever come of it.

Who did you ask Mr Buckley?---I think one of my managers in Supply Management.

Who was the manager?---I can't recall now.

What was their attitude?---I think one of them said that he'd ask further up the line, but nothing became of it. There's no real training for the job.

I get the impression that no one really asked you how your job was going and how your relations were with the other contractors?---That's correct.

10 It was just left to you to soldier on on your own?---More or less, yes.

Almost as if no one cared?---It appears that way.

MR PAYNE: Is that what you've just told the Commissioner, is that in part the explanation for why you thought you could receive money from these constructors over so many years, namely that the chances of you getting caught were very small?---No. It's, it's not an excuse really for what I've done.

20 No, no, I'm not, I accept that Mr Buckley, it's not an excuse. But was that your thought process, you didn't think you could get caught?---Possibly, yes.

They systems within Sydney Water were such that if you were, an accusation was made you could brazen it out, you could say it was a gift? ---Possibly.

30 And that's what you decided you'd say if you were ever caught, that it was a gift, it was a bottle of beer or so on?--- I never, I never thought about it.

You never thought what might happen - - -?---No.

- - - if somebody found out within Sydney Water that I'd been taking money to allow constructors to make short cuts for a decade? You never thought that?---No.

40 Now back to Mr Romanous, I suggest to you in relation that you accepted many payments from Mr Romanous and another was number 12 Bertram Street at Yagoona in September, 2004. Do you agree?---No.

You don't agree or you don't recall?---He did it a couple of times, but I don't recall that one, no.

What are the ones you do remember taking money from Mr Romanous?---I can't, I can't remember now, it's a fair while ago.

I'll ask you about a more recent one. What about 51 Tompson Road, Panania in August, 2008?---I can't think of the job, the street.

I suggest to you in each of those jobs you received \$200 on each occasion from Mr Romanous. Do you agree?---No.

You don't agree or you don't remember?---I don't agree.

You don't agree. Why is that?---I think he might've given me \$100 once or twice, but that's all I can remember. But I don't remember that job you're talking about. Unless you've got a form or something, I can't remember it.

10

Well, I do have some forms. Sefton and that's Panania, is it? Well, let's just, we'll start with Panania, Mr Buckley. I'll hand you a document. And if you look through that document you will see three pages in the letter from Sydney Water about 51 Tompson Street, Panania, about the contract administration and design of the sewer connection?---Yes.

If you look another one, two, three, four, five, six, seven, eight pages in, you'll find a Sewer Main Construction Audit Report signed by you, dated the 19 March, 2009?---Yes.

20

The constructor being Strathfield Plumbing Service, which you've agreed with me is Mr Romanous' company. Correct?---Yes.

Having, and perhaps just to complete the picture, go another one, two, three, four documents along, Sewer Main Connection Report, again signed by you on 21 April, 2009, in relation to the same job, 51 Tompson Street, Panania? ---Yes.

30

Having refreshed your recollection, do you remember this job, Mr Buckley? ---No. I have been, it says I've been there but I don't recall it, no.

Well, it says you've been there three times, doesn't it?---Yes.

And you have no memory, even though it's only last, it's April 2009?---Yes.

I suggest to you that Mr Romanous paid you \$200 in connection with this job?---Not that I can recall, no.

40

Well, what would, you've agreed with me that on a few occasions Mr Romanous did pay you money. What jobs did you have in mind?---I can't recall.

And were they ones where you looked the other way or not?---No, I can't recall.

I suggest in your dealings with Mr Romanous you would pick on a number of little things until eventually Mr Romanous would say to you, "Look,

John, whatever it costs, I've just got to get out of this job", and he'd pay you some money?---No, not true.

Never happened?---No.

But you don't remember whether he did pay you money to cut corners?
---That's correct.

10 So it's entirely possible that he did and that corners were cut?---No, I can't recall it, no.

To be completely fair to you, I'm going to tender them all as one, if the Commission, 12 Bertram Street, Yagoona and, have you got the other one?

THE COMMISSIONER: Well, you've dealt, the one that you've supplied me then was 51 Tompson Road, Panania.

MR PAYNE: I'll tender that.

20 THE COMMISSIONER: You're tendering it?

MR PAYNE: I'll tender that at this stage.

THE COMMISSIONER: Exhibit P17 is a bundle of Sydney Water documents concerning 51 Tompson Road, Panania.

**#EXHIBIT P17 - BUNDLE OF SYDENY WATER DOCUMENTS
CONCERNING 51 TOMPSON ROAD PANANIA**

30

MR PAYNE: You've asked for whether I had documentation, Mr Buckley, about the other jobs. I do and I'll hand that to you now. That's 134 Rodd Street, Sefton and 12 Bertram Road, Yagoona. Perhaps convenience, Commissioner, if they could be added to the previous tender?

THE COMMISSIONER: Well, I think that's just, I think we'll just tender them separately.

40 MR PAYNE: I see.

THE COMMISSIONER: Exhibit P18 will be a bundle of Sydney Water documents concerning 134 Rodd Street, Sefton and P19 will be a similar bundle concerning 12 Bertram Street, Yagoona.

**#EXHIBIT P18 - BUNDLE OF SYDENY WATER DOCUMENTS
CONCERNING 134 ROD STREET SEFTON**

**#EXHIBIT P19 - BUNDLE OF SYDNEY WATER DOCUMENTS
CONCERNING 12 BETRAM ST YAGOONA**

MR PAYNE: If you go first to the document about 134 Rodd Street, Sefton, Mr Buckley?---Yes.

10 In that document, one, two, three, four, five, six pages in there's a thing there called Sewer Main Construction Audit Report, in an earlier version that Sydney Water used, no doubt, signed by you at the bottom on 29 November, 2005?---That's correct.

The constructor is shown at the top of that document as Ray Romanous? ---That's correct.

Having seen that document, does that help you recollect the job?---I can't recall back that far. I'm sorry, but I just can't recall back that far.

20

Well, when you told me before Mr Romanous had paid you money I think on two occasions, what time frame were you seeking to place on those payments?---I'm not sure. It could have been early last year, the year before, I'm not too sure.

I see. So when you told the Commissioner that there were only two payments, that's within the span of your memory which stops at some point going, going backwards, does it, you just don't remember 2005 at all?---No.

30 So to summarise, you know you were paid money by constructors during that period but you can't- -?---Yes.

- - -tell the Commissioner what constructors, how much or how often. Is that what you say?---That's correct. I'm trying to think back but it doesn't jog my memory back that far.

So just taking 2005, you accept that you, payments were made by constructors during that year, you just don't remember who they were? ---Yes.

40

You accept that payments were made for you to cut corners during that year but you can't tell us which jobs that relates to?---I think that's correct.

So that the Commissioner is to take it that you're accepting that you, you agree that you accepted bribes during the 2005 year from constructors but you can't now recollect who they were?---I can't, I can't think back that far, no.

Well, look at the other document then about 12 Bertram Street, Yagoona, and see if that's any better, but I think it might fall in the same year?---(not transcribable)

I'm sorry, that's much more recent. If you go to the Sewer Main Construction Audit Report, which is about halfway through that bundle I've given you, on the top right-hand corner it says, P5/7, if that helps you find it?---Yes.

10 Have you got that?---Yes.

That's something signed by you on 23 July, 2009?---That's correct.

So there was a much earlier development approval, but because it's a major development, you only get around to the sewerage connection side in 2009? ---Yes.

20 Having looked at this document, again it's Strathfield Plumbing Services, which is Mr Romanous. Does that help you recollect this job?---Yes. I think I recall the job, yes.

And you were paid \$200 by Mr Romanous in relation to this job, weren't you?---No, no.

Are you sure?---Yes.

Absolutely positive you didn't receive \$200 from Mr Romanous in relation to this job?---Yes.

30 What lets you be so certain of that?---I'm just sure.

I'm terribly sorry, I didn't catch that?---I'm sorry.

THE COMMISSIONER: I'm just sure?---I'm sure.

MR PAYNE: In relation to those jobs when you do recollect that Mr Romanous paid you money- - -?---Yes.

40 -- -where does this one fit in, was it before, after or in the middle?---It would be previous to that sometime.

The payments were previous to this?---Previous to that, yes, I'd say so.

And when the payments stopped, did you ever ask him why?---No.

Never had a conversation about money at all with Mr Romanous. Is that what you say?---Yes.

So he paid you money on a number of occasions, he may have paid you in the past- - -?---Yes.

- - -you don't remember 2005, he did pay you money in when, 2007/2008?
---Possibly.

And then 2009 comes around and you're doing an important job at 12 Bertram Avenue, Yagoona, and you remember definitely that no money changed hands?---That's correct.

10

Well, I suggest to you that it did and that Mr Romanous paid you \$200 in relation to this job?---No.

I have to put to you, Mr Buckley, that that's a lie?---I don't recall it. I've accepted before he has. I can't recall that.

20

We've had this discussion this morning, Mr Buckley, the difference between I can't recall and I deny it, are you saying I don't remember it or are you saying it didn't happen?---I don't, I don't remember receiving any payments from him on that job, previous to that job there were two or three times, maybe four times, I'm not sure.

Four times?---I'm not too sure, over the years.

And how much was involved in those payments you do recollection?---\$100 I think at the time.

30

And did you cut any corners for receiving those payments?---Not that I recall, no.

But you may well have?---I might have shortcut the process a bit but the construction was always done properly.

In effect the nitpicking complaints that you could have made you didn't make them when you got paid, is that what you're saying?---No.

Well, you shortcut the process, what did you have in mind by saying that?
---The process?

40

Yes?---Sometimes - - -

It would be longer if you weren't paid money, that's what you're saying?
---No, sometimes they might want (not transcribable) earlier connection than they're supposed to so I'd put the early connection in ahead of time as long as the water servicing coordinators know.

But if they didn't pay you money you wouldn't let them, correct?
---Sometimes, yes, that's correct.

Just to finish up on Mr Romanous, I've suggested to you that your evidence on your oath that you did not receive payment is untruthful - - -

THE COMMISSIONER: I'm not sure if that's his evidence any more. I think his evidence is he can't remember.

MR PAYNE: Yes?---I do remember receiving money prior to that but not then.

10

What your Honour puts to me is quite right, I withdraw the suggestion. Can I ask you about Mark Devereux. Mr Devereux is associated with a company Perfect Pipes Plumbing Pty Limited and he's the sole director of that company, it's an authorised constructor for Sydney Water?---Ah hmm.

Do you know Mr Devereux?---I know Perfect Pipes, I'm not sure about the name.

20

Well, when you say you know Perfect Pipes, he's the sole director of Perfect Pipes so I assume that you've dealt then with Mr Devereux - - -?---Possibly.

- - - or don't you know? Well, can I ask you about a job or two jobs involving Perfect Pipes where you were the inspector. The first is one at Juno Parade in Greenacre?---Yes.

Do you remember that job?---Yes.

And you attended a number of inspections in about May 2009 at that site? ---Yes.

30

Now you accepted money from Mr Devereux in relation to those inspections, didn't you?---Yes.

How much?---I'm not sure, a couple of hundred dollars I think.

I want to make the following suggestions to you about the Juno Parade job. Mr Devereux had a supervisor at the job called Bede Cooper, B-E-D-E. Do you remember Mr Cooper?---Yes.

40

And you remember dealing with him?---Yes.

Do you remember telling Mr Cooper that you were going to fail all the installation chambers that had been constructed at Juno Parade?---Yes, I think I said, told him, knocking him back, yeah, the (not transcribable) water servicing coordinator was there too at the time.

Yes. Who was that?---(NO AUDIBLE REPLY)

Was it Bob Pascoe?---I think so.

And you issued a CAR in relation to this job?---That's correct.

A week or two after the CAR Perfect Pipes returned to the site, chopped out the chambers and re-rendered them all and then there was a second inspection at the Juno Parade site where Mr Devereux was there with you, Mr Cooper and Bob Pascoe. Do you remember that inspection?---Yes, I think so, yes.

10

Do you remember that upon checking the inspection chambers you were still not satisfied and in particular you were unhappy with the angles of the sewer pipes and that the channel walls were not perfectly symmetrical?

---I can't recall whether that was the first or the second time.

And I suggest to you it was on the second occasion and that you were directing most of your remarks about your unhappiness to Mr Devereux. Do you remember that?---No.

20 You don't remember?---No.

Do you remember Mr Pascoe walking off because he was becoming angry with you?---No.

Do you remember about 20 minutes into the inspection when you were drawing a number of these defects to the attention of Mr Devereux, that Mr Devereux checked his wallet, took out a \$100 note, put it into his right hand and brushed it against yours and you took it and put it into your pocket? ---No.

30

You don't remember that?---No. It didn't happen.

It did not happen?---No.

Mr Devereux never paid you money do you say?---Not like that. I think he gave me the \$200 before, no, not on the site.

Where did he give you the \$200?---Not when we were doing the inspection.

40 I see?---When you asked me before, I told you.

I see. I misunderstood. I'm apologise. He gave you \$200 where?---I can't remember. It was on the beginning of the, the beginning or after the inspection. It was near the, on the site, but not walking around the site.

I see. So at the end of the inspection when you'd expressed unhappiness about various aspects, he gave you \$200?---I can't recall when he gave it to me. All I know is that the, all the chambers needed work done on them. I

took photographs for them and, and he got, he pit pulled it back in, pit pulled it back in to rectify them all.

And he paid you \$200?---I can't recall when it was, but yes, he paid me money.

And then you came back and the final inspection you passed, you passed all the work?---When, when it had all been fixed, yes.

10 What did he tell you when he gave you \$200?---I can't recall.

What did you do with the money?---I put it in my pocket.

Did it occur to you that there was any link between the complaints you were making about the way Mr Devereux were acting as constructors and the \$200 payment?---No.

It never occurred to you?---No.

20 And when you came back and passed the work, I suggest to you that on this occasion you were friendly with all concerned, including Mr Devereux and raised no complaints?---The work was all re-inspected before it was passed off. They, they brought back, I think, the (not transcribable) the manhole pits originally to rectify the faults.

Well, I want to suggest to you that at the time payment was made when you returned, the things that you were unhappy with earlier had essentially not changed. Do you agree?---No, they fixed, they fixed everything up they had to fix up.

30 Well there was the first inspection that you were unhappy about?---Yeah.

And then they fixed things up?---Yeah.

You came back for a second time and Mr Devereux was there. Is it your evidence that you made them fix it up again that day?---I can't recall. I'd have to see the audit report that's on there.

40 Bear with me one moment and I'll show you the audit reports, plural, that you've done for Juno Parade. I'll show you this document. That's the sewer main connection report. Do you agree with me?---Yes.

Signed by you in two places?---Correct. Yes.

Relating to 1/7 Juno Parade, Greenacre, the constructor being Perfect Pipes Pty Limited?---Correct. Yes.

Looking at that document, the pre-connection, you appear to have signed that on 15 May, 2009?---That's correct.

And the connection, you've dated that 7 May to 15 May. I take it that that was dated by you on 15 May, all done at the one time?---Oh, I think they done it over two, two different dates.

Well, did you sign it twice?---Yes, I put two different dates in there but they must have been (not transcribable)

10

So that shows you were there on the 7th and the 15th. Correct?---Yes.

The 7th, the first occasion you were there, you made them do additional work?---Oh, on the first occasion there must, there would be another form. There's, this is the second pre-connection I went out and where it all passed off O.K.

And that's the 15th, is it?---Yes.

20

And where in relation to the money that you were paid by Mr Devereux did this take place?---I can't recall. I can't remember whether it was before or after. It was also inspected by the water services coordinator, if I remember.

Mr Pascoe?---Yes.

Well, you were paid \$200. You remember about the job that there was these visits on the 7th and the 15th?---Yes, that was, yes, that was at the connection point, yes.

30

At the connection point?---Yes.

When did he pay you \$200?---I can't recall.

What did he say when he paid you \$200?---I don't remember. I think he said, here you are, thanks, John.

What was he thanking you for in your mind?---I don't know. Just for helping him out, telling him what was wrong and what had to be fixed.

40

But again, that was your job, wasn't it, Mr Buckley?---That was my job, the water servicing coordinators job to do before I got there but- - -

Was he handing out gifts to the water services coordinator, to your observation?---I don't know.

Well, you certainly didn't see him do that, did you?---No.

And you kept secret from everybody else the fact that he paid you \$200?

---Yes.

I suggest to you, Mr Buckley, that this is another occasion when you've raised problems, received money and then passed the job, having received the money. Do you agree?---No. I didn't pass, I didn't pass the work because of the money, I passed the job because the defects had been rectified.

10 And so you say that being paid \$200 was completely irrelevant to- - -?
---That's correct.

- - -everything, everything that you did. You didn't take it into account. Didn't give it a moment's thought?---No.

Immediately after this Juno Parade job, there was another job, one at Five Dock, involving Perfect Pipes, wasn't there?---(NO AUDIBLE REPLY)

20 THE COMMISSIONER: Mr Payne, before you go onto that, are you tendering- - -

MR PAYNE: Yes. I tender the document. Thank you, Commissioner.

THE COMMISSIONER: This will be, Exhibit P20 is the Sewer Main Connection Report for 1-7 Juno Parade, Greenacre.

#EXHIBIT P20 - SEWER MAIN CONNECTION REPORT DATED 15 MAY 2009

30 MR PAYNE: You were involved in a subsequent inspection or series of inspections with Perfect Pipes in another job. Do you agree?---I think so.

And there was a residential subdivision at the junctions of Adams and Emily Street in Five Dock?---I think so.

And in relation to that event, on 27 August, 2009, there was a final inspection by you?---Yes. What- - -

40 And on that occasion, \$200 was paid to you by Mr Devereux?---I can't recall. I don't remember any payment. I don't, maybe there was, I don't know.

I suggest to you that having trained Mr Devereux in the Juno Parade job that you needed to be paid money or you'd make his life difficult, he approached you and gave you \$200 without you seeking that money in relation to this job in Five Dock?---I deny that. I didn't, I didn't train anybody to expect payment of money. If it's the job I'm thinking of, that's where he had to

jack pick the bottom of the manhole out because he didn't construct it to standard.

He said to you, he said to you, I've got something for you or something to show you and you said, "O.K. Where are you?" You came back to the job and he gave you \$200. That's what happened, isn't it?---I can't recall.

Did you meet Mr Devereux offsite at any time?---Not that I can remember.

10 Did you invite him to meet you offsite?---Not that I can remember.

Would there be any reason for you to meet Mr Devereux offsite?---No.

Have a listen, if you will. I'll ask that this transcript be placed on the screen and listen to this call. The transcript, hand up one for the witness and one for you, Commissioner.

#TELEPHONE INTERCEPT PLAYED

[3.28pm]

20

MR PAYNE: That's your voice, Mr Buckley, leaving a message for Mr Devereux?---I believe it is.

I tender the recording and the transcript, Commissioner.

THE COMMISSIONER: Exhibit P21 is the audio recording and transcript of a conversation or of a message left by Mr Buckley on Mr Devereux's voicemail on 27 August, 2009.

30

#EXHIBIT P21 - TRANSCRIPT OF TELEPHONE MESSAGE & AUDIO RECORDING DATED 27 AUGUST 2009

MR PAYNE: See, Mr Buckley, why were you inviting Mr Devereux to tell you whether he wanted to meet you offsite?---I honestly can't recall. Just he must have called me and wanted me to come over and just that I've said, do you want, I'm not sure why I said that.

40 THE COMMISSIONER: Why would he want you, why would you go to meet a contractor offsite, Mr Buckley?---The only reason it would be offsite is sometimes is if it's a very busy site where it's hard to get onto and off the site, well, you might meet outside the site.

And at the time were you working on such a site?---Yeah, I believe, I think that site they had the roads blocked off. I'm not a hundred per cent sure.

MR PAYNE: You just said, Mr Buckley, the only reason to meet offsite. There's another reason, isn't there, and that's to get paid some money? ---I, I don't, I'm, I honestly can't remember that. I believe he has probably gave me money before onsite, so I don't know what the difference would be offsite.

THE COMMISSIONER: Have you been paid money offsite in the past by others?---Near a site but not, I can't remember where.

10 Several times?---Maybe only a couple, that'd be all.

And why would you go offsite to receive money?---So other people wouldn't see.

MR PAYNE: Mr Buckley, you told me less than an hour ago that you met in a coffee shop and were paid some money by Mr Ryan. Do you remember that?---I think so, yes.

20 There were other occasions as well, weren't there?

THE COMMISSIONER: I think he's admitted that?---A couple maybe, I can't recall.

MR PAYNE: I suggest to you that what you were doing in this telephone call was suggesting that you would meet wherever Mr Devereux wanted because you knew that he had some money for you?---I honestly can't remember it. It could be the case, I can't remember.

30 You were paid cash though in relation to this job, weren't you, by Mr Devereux?---I think he gave me some money, I'm not sure.

And so that would be the second occasion that he paid you money?---I think so.

And I suggest to you that you understood Mr Devereux was paying you so that you would not in relation to the Five Dock job create the sort of problems that you'd created for him in relation to the Juno Parade job. Do you agree?---The Five Dock job, oh, you mean - - -

40 This payment in relation to Five Dock that we've been talking about?---I thought you, Mark Devereux, I thought he was Perfect Pipes from, is that the one you're talking about?

Yes?---He wasn't at Five Dock I don't believe.

Breakfast Point?---Breakfast Point, yes.

I'm sorry. So you recall receiving money from Mr Devereux of Perfect Pipes in relation to the job you (not transcribable)?---I think so, yes, but there were no shortcuts on the job.

Can I take you then to a Mr Khalil, K-H-A-L-I-L and he is an authorised constructor, authorised by Sydney Water, correct?---That's correct.

And you've had dealings with him over a period?---That's correct.

10 And you've accepted cash payments from Mr Khalil from time to time?
---Yes.

On how many occasions?---I can't, can't recall, on several.

More than five times?---Possibly.

He's a longstanding authorised constructor and you've worked on a number of jobs with him, have you?---Yeah, but he doesn't do a lot of work anymore.

20

Do you remember an occasion in August 2009 where you obtained some Sydney Water documents for Mr Khalil and received a payment?---Yeah, I think he rang me up and wanted a copy of some, a past job he'd done.

And what payment did he make to you for providing those documents to him?---I think he gave me \$50.

And in what circumstances did he give you that money?---What do you mean?

30

Did he come to your home, did you meet in a coffee shop, did you meet on a site?---I can't recall where I, I met him somewhere but I can't recall.

And you're sure, you're sure it was \$50 do you?---Yes.

You had conversations with him on the telephone but you also had conversations with his son, Mr Khalil Khalil?---I can't remember, I could have.

40 And in relation to these, in relation to these documents you obtained them, you gave them to him and you were paid \$50?---Yes.

Can I ask you about a Mr George Abboud, A-B-B-O-U-D related to a company called Exact Civil Pty Limited, an authorised constructor with Sydney Water?---Yes.

You've accepted payments from Mr Abboud?---I think so, yes.

On how many occasions?---A couple I think.

Do you remember in respect of which properties?---One at Concord, I can't remember where the other was.

45 Wellbank Street, Concord?---That could be it.

I'll show you a sewer main connection report for that. Your signature appears on that document in three places?---That's correct.

10

We're talking about August 2009?---Yes.

You, do you recall, having had a chance to see that document, what the amount of the payment you received from Mr Abboud in relation to this job was?---No, I can't, it could have been 100, \$150, I'm not sure.

And do you remember what was said when you received the money?---No, I can't.

20

I'd like you to listen some tape recordings. I hand a copy of the transcript to you, 11 August, 2009 at 16.04.

TELEPHONE INTERCEPT PLAYED

[3.37pm]

MR PAYNE: That's your voice and that of Mr Abboud?---I believe so, yes.

30

I tender that recording and the transcript if the Commission please.

THE COMMISSIONER: The audio recording and transcript of conversation between Mr Buckley and Mr Abboud on 11 August, 2009 is Exhibit P23.

**#EXHIBIT P23 - TRANSCRIPT OF TELEPHONE CONVERSATION
& AUDIO RECORDING DATED 11 AUGUST 2009**

40

MR PAYNE: Mr Buckley, was Mr Abboud a particularly good customer of yours at Sydney Water?---He was a constructor.

Well, isn't it unusual for you to be ringing him and chasing him about when he's ready for you to perform the service?---I can't remember the, that I - - -

Well, let's just look at the transcript. You to Mr Abboud, "When are you, you worked out when you're doing that connection at Wellbank Street

yet"?---Yeah, well, I'd been out there a couple of times and I wasn't sure when he wanted to do it so I was just ringing up so I could book it in.

Well, you're chasing him and you say you haven't filled in a project validation or anything for it?---That's correct, yes. Usually we fill one of them in prior to the connection.

Why were you chasing him?---I can't recall.

10 Was it because you expected to be paid money by him?---No, I think he, he had to, I think he had to replace and encase part of the existing sewer then lay a new section of sewer. That's why I rung up to find out when he was going to do all the connections for the new section.

But you were paid cash by Mr Abboud in relation to this very projection, in relation to this inspection weren't you?---I believe so, yes.

20 And do you tell the Commission that you're chasing him to go out there and inspect and the payment of money were completely unconnected?---That's correct.

It came as complete shock to you when he paid you money did it?---No, not a shock.

You were chasing him because you expected him to pay you money for it weren't you?---No, I was just wondering when the job would be done because it left the sewer exposed.

30 And so in relation to the other clients – if I could put it that way – of Sydney Water, the other constructors, you go out of your way for people who hadn't paid you money and ring them and make appointments – chase them like this would you?---No, I don't chase people.

You were chasing Mr Abboud aren't you?---No, I just rung up to find out how he was going with job because he had the whole backyard dug up and he pulled out half the sewer and he had a temporary sewer running in.

40 Well, I suggest to you that you knew that if you put yourself out for Mr Abboud and made an appointment at any time that suited him it was likely that he would pay you money and that's what you were doing in this telephone call. Do you agree?---I don't think I was doing that, I was just trying to find out when the sewer because it had been exposed. I forget he gave me money before or after, I can't recall.

THE COMMISSIONER: Why were you prepared to meet him off-site?
---Meet him on-site?

Am I wrong on that? You wanted to, yes you were going to meet him on-site weren't you?---Yes.

MR PAYNE: And you were letting Mr Abboud in effect, pick a time, you were going to fit in with him, correct?---I try to do that with most of them, yes.

So, if we ask Mr Nasrallah for example, you tried to fit in with him as well did you?---Yes, well, yes.

10

Have a listen to this next document, I'll hand you a transcript.

THE COMMISSIONER: Mr Payne.

MR PAYNE: Yes, sir.

THE COMMISSIONER: Are you tendering the Sewer Main Connection Report for 45 Wellbank Street, Concord because we haven't done it yet, that should be P22.

20

MR PAYNE: I am, thank you Commissioner.

THE COMMISSIONER: Now the exhibit is P22.

#EXHIBIT P22 - SEWER MAIN CONNECTION REPORT DATED 14 AUGUST 2009

30 MR PAYNE: Just to be clear Mr Buckley, you've understood that these questions I've been asking you are about Wellbank Street at Concord.
---Yes.

If Mr Fox could play the next.

#TELEPHONE INTERCEPT PLAYED

[3.43PM]

40 MR PAYNE: That's your voice and that of Mr Abboud?---I believe so.

I tender that recording and the transcript.

THE COMMISSIONER: Exhibit P24 is an audio recording and transcript of a conversation between Mr Buckley and Mr Abboud on 12 August, 2009.

**#EXHIBIT P24 - TRANSCRIPT OF TELEPHONE CONVERSATION
& AUDIO RECORDING DATED 12 AUGUST 2009**

MR PAYNE: Can I ask you some questions about this Mr Buckley – just to orient you. This is the week after you’ve gone to the sit with Mr Yousef Nasrallah and told him that there is a complaint about you within Sydney Water. That was back on the 4th of August, do you remember that? This is now the 12th of August. You’re talking to Mr Abboud.---Yes.

10

He says, “I’ve got something for you John,” you understood because of your connection with him and the fact that you chased him the day before and made an appointment to go and view the work at Wellbank Street that there would be a cash payment in it from Mr Abboud to you.---I wasn’t, I didn’t realise - - -

THE COMMISSIONER: What did you think he meant when he said I got, “I’ve just got something for you, John.”---I’m not sure if he meant a drink or \$50 or something or \$100 I wasn’t sure.

20

MR PAYNE: Why did you then say, “Don’t say too much,” and then laugh?---I can’t recall.

Were you worried that he was going to spill the beans and rather than use code about a drink and so on that he’d talk about paying you money on the telephone?---No, I don’t know anything about code or anything like that.

THE COMMISSIONER: Why did you say, “Don’t say too much”?---I’d say someone was listening on the telephone may be.

30

And what do you think he could say that shouldn’t be overhead?---May be if he offered money or something like that or alcohol.

MR PAYNE: But you understood he was offering you money or alcohol, that’s what he meant with, “I’ve got something for you John.” Clear as day to you wasn’t it?---I think so.

And indeed, he paid you money shortly after this for the Wellbank Street job.---He paid me money I’m not sure when, but yes.

40

Well, is this, when you spoke before, let’s leave to one side the jobs where corners were cut, is this in your mind, is this a gift is it?---Yes.

So someone you have a long standing relationship with, you chase them, let them know that you will fit in with them in terms of inspections - - -?---Yes.

- - -they ring you back the next morning and say I’ve got something for you. You understand that to be money.---Yes.

You see, don't you Mr Buckley that this is you in order for favourable treatment from Sydney Water accepting money, don't you?---It looks that way, yes.

And that's in the conception that you gave me before lunchtime that that's accepting a bribe, isn't it?---Yes.

10 And you're accepting a bribe from Mr Abboud when you took this money some days after this?---Yes.

I tender that. I'm going to ask you some questions about a Mr Mahmoud M-A-H-M-O-U-D, another authorised constructor. Do you know Mr Mahmoud?---Yes.

You've accepted cash payments from Mr Mahmoud haven't you?---Only on a couple of occasions.

20 On how many occasions?---Two or three may be.

And how much money?---Fifty or \$100.

And that was money which he had offered you in order to cut some corners wasn't it?---No, he's never cut corners.

What about the job at Condell Park at Bankstown. Do you remember that? ---Not if I, can see something I'm sorry.

30 I can't assist you with that I'm sorry. Let's examine for a moment with Mr Mahmoud, fifty or \$100 on a number of occasions. Do you remember in what year?---No. It would have been last year a couple of times but that's, he's only sort of said buy a drink I think but I've never short cut or anything.

Would it be correct if I suggested to you that he would ring you and ask you to come early or finish a job later, that they would be the sort of circumstances in which you would be paid money?---No.

40 No.---What do you mean sorry?

Well, if he was ready to connect at 10.00 or 11 o'clock he could ring you and ask you to come even though your appointment was at 2 o'clock, you'd hop in the car and go and do it because you knew there was money involved. Correct?---I'd do that with some constructors, yes.

Was Mr Mahmoud one of them?---Not all the time, no.

So the position is if they didn't pay the money, they could wait until 2 o'clock - - -?---No.
- - -or if they were willing to pay the money you'd hop in the car and go out. Is that what you - - -?---No, I used to treat them pretty well all the same.

So to the extent that Mr Mahmoud paid you money on occasions to hop in a car and come out and give the sort of service we saw before your evidence to the Commissioner is he was wasting his time, you'd have done it anyway?---Yes.

10

It's true isn't it, Mr Buckley, that if there was no money involved you would stick to the letter of the Sydney Water regulations, wouldn't you?---No, I, I tried always to stick to the regulations.

Well, would you cut corners if money wasn't involved?---I'd shortcut the process but construction, no, I tried to always stick to the code.

Is what I've described to you here as moving your schedule around to meet Mr Mahmoud in return for the payment of money, is that cutting corners or not?---I didn't think so.

20

So when he paid you money in your mind that was a gift was it?---Yes.

For how many years had Mr Mahmoud been paying you money?---I can't, I can't recall.

This might go back to the 2005 and so on where you've told the Commissioner you've got no memory, might it?---That's correct.

30 Can I ask you about a Mr Cryan, C-R-Y-A-N, another authorised constructor related to Corman, C-O-R-M-A-N Pty Limited. You've been paid cash by Mr Cryan, haven't you?---Yes.

On how many occasions?---A few.

More than five?---I can't recall.

But it could be?---Possibly but he doesn't do a lot of work in the area.

40 I see. And in what amounts would you be paid by Mr Cryan?---I think he gave me \$100.

On more than one occasion you think?---Yes.

And do you remember any conversation with Mr Cryan about these payments?---No.

Did you ever say to him no, there is no need to make these payments, Mr Cryan, I will do this job whether or not you pay me?---No.

You never said that to anyone, did you?---No.

In your mind with your conception did you cut any corners with Mr Cryan? ---No.

10 Did you give him favourable treatment in response to this money?---No.

Putting it another way, did you engage in any unfavourable treatment after you had been paid money by Mr Cryan?---No.

Can I ask you about Mr Lanigan, another constructor, Peter Francis Lanigan, a director a company Templemichael Constructions, an accredited constructor with Sydney Water?---I don't recall them.

You don't recall Templemichael Constructions?---No.

20 Can I show you a document. It's a project at 25 Ivanhoe Road, Croydon. Do you remember that?---No.

If I could show you this document. That's your signature in two places on that document dated 26 June 2008?---Yes.

The constructor is Templemichael Constructions?---Yes.

The job was at 25 Ivanhoe Road, Croydon?---Yes.

30 Having seen this document does it refresh your recollection that you've participated in inspecting Templemichael Constructions' work at this site? ---No, I can't recall.

I tender that document, if the Commission please.

THE COMMISSIONER: Yes. The Sewer Main Connection Report relating to 25 Ivanhoe Road, Croydon is Exhibit P25.

40 **#EXHIBIT P25 - SEWER MAIN CONNECTION REPORT
RELATING TO 25 IVANHOE RD CROYDON DATED 26 JUNE 2008**

MR PAYNE: So is your evidence that you don't remember this job or Mr Lanigan or Templemichael Constructions?---I don't remember either.

And you can't say one way or the other whether or not you received - - -?
---No.

- - - cash payments from them?---No.

Can I ask you about a Mr Khattar, K-H-A-T-T-A-R, a company associated with Worldmark Plumbing, an accredited constructor for Sydney Water?

---I've heard the name Worldmark, yes.

And you know Mr Khattar, don't you?---I'm not sure of the surname.

10 Alan Khattar?---Alan, yes.

So you know the man that I'm talking about associated with Worldmark Plumbing?---Yes.

And you've received cash payments from Mr Khattar from time to time, haven't you?---On a couple of jobs I think, yes.

Do you remember which they were?---No, I think one - - -

20 Do you remember how much you received from Mr Khattar?---No, it'd be \$100 maybe.

And there was a project at Homebush that he was involved in where he paid you some money, do you remember that?---Yeah, that's the one I remember, yes.

And in relation to that project there were a number of minor issues that you raised with the construction work and upon being paid \$100 by Mr Khattar near the end of the job you let it go through, you cut some corners?---No, I didn't cut any corners on that job. There was a, a manhole that appeared not to be constructed properly so I put it through the standards section of the water board and they said it was acceptable.

30 And you took some money from Mr Khattar for taking that action did you? ---No, he just gave me some money at the end of the job.

So you saw something you thought was non-complying, you took it up on his behalf and said pass it anyway and he paid you some money. Is that - - -?---No, I didn't say pass it anyway. I referred it to the standards section of Sydney Water and they said it was acceptable so it went through.

40 And at that point he paid you some money or had he paid you money prior to you taking those steps?---I, I, I can't, I can't recall when he paid it to me.

Again, to your knowledge, did anybody see Mr Khattar pay you this money?---Not that I know of.

You kept it a secret between the two of you?---Yes.

What a job at The Crescent at Homebush?---That's the one you were talking about wasn't it?

I'm asking you about that one. Is that the one you've just told me about in relation to the manhole was it?---The manhole, yes.

10 That was the job at The Crescent and all up I suggest to you that Mr Khattar paid you about \$400 in three or four amounts in relation to this job at The Crescent at Homebush?---No, no.

You sure about that?---He might have paid me a couple of hundred, that'd be all.

You have sufficient memory to say he might have paid a couple of hundred but not that he paid you \$400, do you?---Not that I can recall, no.

20 Well, how many times did you attend to this job at The Crescent at Homebush?---Three or four, I'm not too sure.

And if he paid you \$100 each time and you went there four times?---They never paid me 100, nobody done things like that. They didn't use to pay me when I went every time to a job, they just used to give me once whether it'd be halfway through or at the end.

You have a sufficient memory of all the payments you've received over the years - - -?---No.

30 - - - to tell his Honour that do you?--- Sorry?

You have a sufficient memory of all the payments from all the constructors you've received on all the jobs over the years to make that assertion confidently to his Honour, do you?---No, I haven't got, no.

So you haven't got the faintest idea how many times he paid you in relation to The Crescent, do you?---I remember that anyone's ever paid me money it's only been once on a job.

40 Well, how many times did Mr Khattar pay you, Mr Buckley?---On the job, once.

Overall, how many times did Mr Khattar off you cash payments?---Maybe two or three. I can't recall.

But you do remember in relation to The Crescent at Homebush, although you went there perhaps four times, at least three times, you were only paid once in relation to that job?---That's correct.

But when was that in relation to the job?---Can't remember the exact time.

We mentioned earlier today a Mr Joseph Doogue from Green Civil. Do you remember- - -?---Yes.

- - -discussing that with me before lunchtime?---Yes.

10 And they were involved in particular in a major development of the Bass Hill Drive-in in Sydney, which was redeveloped. Correct?---That's correct.

I think you told me that you did receive cash payments from Mr Doogue in relation to that project (not transcribable)?---Yes.

Any others?---No.

How much did Mr Doogue pay you?---Oh, it would be 200, 250, I'm not sure.

20 And what were the circumstances in which he paid you that money?---He just put the money in the car.

When you said he put it in the car, how did he go about that?---Well, he just opened the window and put it in the car, if I remember.

Where were you at the time?---Sitting in the car.

And you would the window down?---The window was down.

30 And he handed money and what, threw it at you or gave it to you?---I can't remember. He put the money in, I can't remember.

Did you have any conversation about it?---No, not that I recall.

At what stage was the Bass Hill project at when you were paid this sum of money?---I can't remember. Near the completion I think or at the completion.

40 Well, if I suggested to you that the completion was only in May this year, does that ring a bell?---Vaguely.

To be fair to you, it's the last document I'll show you today, Mr Buckley.

THE COMMISSIONER: Mr Payne, if you wish to sit to 4.15 I have no objections. It's entirely in your hands.

MR PAYNE: Commissioner, please, I'll take the Commission's indication, we will, if we can go on for another ten minutes or so and I'll reach a

convenient point. If I can show you this document. Your signature appears on three places on this document?---Yes.

The last of which is dated 18 May, 2010?---Yes.

So at least at that time you were still doing this inspection job in the inner west for Sydney Water?---Yes.

I tender that document, Commissioner, please.

10

THE COMMISSIONER: Exhibit P26 is a Sewer Main Connection Report for 1 Arundle Road, Bass Hill.

#EXHIBIT P26 - COPY OF SEWER MAIN CONNECTION REPORT DATED 22 APRIL 2010

20 MR PAYNE: Now, having seen this document and refreshed your recollection about what was going on our there, when was it do you think that Mr Joseph Doogue paid you the sum of money that you've told the Commissioner about?---I'm not exactly sure. It could have been halfway through or three-quarters of the way through I think. I'm not sure. (not transcribable) finish.

And you were out there conducting an inspection when you were given the money, do you think?---Yes.

30 And you were onsite when you received this payment?---Yes.

Had you worked with Mr Doogue and Green Civil before?---Not that I can recall.

Had you spoken to Mr Doogue about this project prior to him giving you this money?---The project, yes. It had been done in stages and there was a lot of defects on it.

40 I see. So the chronology is that you go out there for initial inspections and you find a number of defects on the project and at some time after that, Mr Doogue comes to your car and pays you, I think you said 100 or \$150? ---Yeah.

Is that right?---I think so, yes.

And then after that time, you prepared to pass the project. Correct? ---Incorrect.

Incorrect. You didn't do that?---Not till all the defects had been rectified.

Were there any corners cut, to use your words?---No.

So Mr Doogue was wasting his money too, was he?---Yes.

Why do you think he paid you \$150 out of the blue like that?---I don't know.

You'd never dealt with him before had you?---I don't know.

10

Did it occur to you to ask?---All he said was thanks for the help because I just showed him all the things that had to be rectified with the water servicing coordinator.

So you go out there and say this is a fault, this a fault, this is a fault, fix it and his response is to give you money - - -?---No.

- - - and your characterisation is that's a gift?---No, I think he gave me, I think he gave the money after it'd all been fixed.

20

After it'd all been fixed?---I think so, I'm not sure, yes.

Right. Well, have a look at this document. Where do we see you ticking the box that you ticked for Mr Nasrallah about a CAR, there's none of that here is there?---Not on this form, no.

Did you issue CARs about this job?---Yes, I'm pretty sure I did, yes.

Prior to this time?---Yes.

30

And when in relation to those CARs did Mr Doogue give you \$150?---I can't remember.

It was afterwards wasn't it?---I think so.

It was to smooth the way to get you off his back, wasn't it? That's what you understood he was paying you money for?---No, not it wasn't because he knew that he had to get everything fixed up correctly, which he did.

40 THE COMMISSIONER: Mr Buckley, can you just look at P26, that form?
---Yes.

At the bottom it's got this box, empty box Audit Report Issued to DSR to Raise CAR?---Yes.

And the box is empty?---That's correct.

Does that tell you anything about whether a CAR was issued or not?---No. You've got three boxes there on each different, one pre-connection, connection or post-connection. I think the CAR was issued previous.

Previous to what?---(NO AUDIBLE REPLY)

Previous to what?---Previous to, to these being done.

10 To what being done, the pre-connection?---To this pre-connection, yes.
Right?---There were different sections out there.

MR PAYNE: I think in fairness to you, Mr Buckley, that at least you've told his Honour is quite right, there is an audit box ticked on 7 April by you in an earlier document. Commissioner, the next topic I have is probably going to take a little more than ten minutes.

THE COMMISSIONER: Yes.

20 MR PAYNE: So this might be a convenient time.

THE COMMISSIONER: Very well.

MR PAYNE: I can indicate to those present I'll try and finish within three-quarters of an hour with Mr Buckley in the morning.

THE COMMISSIONER: Yes. Mr Lee, can you give me an indication of how long you think that you'll be in cross-examination please?

30 MR LEE: At this stage, Commissioner, I don't expect to be asking Mr Buckley any questions.

THE COMMISSIONER: Right. Very well.

MR STEVENSON: Commissioner, I do expect to ask some questions.

THE COMMISSIONER: Yes, Mr Stevenson, I assumed so. How long would you be?

40 MR STEVENSON: Perhaps an hour, no more.

THE COMMISSIONER: Yes, very well. Yes, thank you for that. I should say that if there is any other, if there are any legal representatives of any affected persons who have not yet sought leave to appear they should do so tomorrow morning. The Commission will now adjourn.

THE WITNESS STOOD DOWN

[4.08pm]

AT 4.08pm THE MATTER WAS ADJOURNED ACCORDINGLY
[4.08pm]