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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 WEDNESDAY 8 SEPTEMBER 2010

AT 2.05PM

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.

MR PAYNE: Commissioner, I call Odelia Potts.

THE COMMISSIONER: Ms Potts, won't you be seated. Do you wish to give your evidence under oath or do you - - -

MS POTTS: Under oath.

THE COMMISSIONER: Yes. Would you swear Ms Potts in, please.

10

<ODELIA VERA POTTS, sworn

[2.06pm]

MR McILWAINE: Commissioner, I seek the authority to appear for Ms Potts.

THE COMMISSIONER: Yes, Mr McIlwaine.

MR McILWAINE: And she seeks an order.

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THE COMMISSIONER: Yes.

MR McILWAINE: That her evidence is given under objection.

30

THE 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 her during the course of her evidence at this public inquiry are to be regarded as having been given or produced on objection and accordingly there is no need for her to make objection in respect of any particular answer given or document or thing produced.

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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 HER DURING THE COURSE OF HER EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION AND ACCORDINGLY THERE IS NO NEED FOR HER TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.

MR PAYNE: Ms Potts, is your full name Odelia Vera Potts?---That's correct.

And you're the wife of Khare Aoun, accredited instructor for Sydney Water?---That's correct.

You've made a statement in this matter. Can I show you a document. Just take a moment to check it with the annexures in particular. And I'll ask you a question?---I'm happy with the annexures.

And that statement is true and correct to the best of your knowledge and belief?---Yes.

10

I tender the statement.

THE COMMISSIONER: Ms Potts' statement of 2 March, 2010 will be Exhibit P51.

#EXHIBIT P51 - COPY OF ODELIA POTTS' STATEMENT DATED 2 MARCH 2010

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MR PAYNE: Ms Potts, could I just ask you a few additional questions in clarification of the matters set out in your statement. You say that in about 2006 you first learnt of problems between your husband and Mr Buckley? ---What I recall, I wasn't officially working with my husband, but because I was, I wasn't even married to him at the time.

Right?---But I did overhear phone calls and conversations which suggested that he had to give money to someone. But I don't know, at that point in time I didn't know it was John Buckley.

30

Yes. I notice on your occupation on the statement is paralegal. You were working in a paralegal role at the time were you?---Yes, that's correct. I used to work for law firms.

And you ceased to be a paralegal when you were married to your husband and started working for the firm?---Yes. That's, yeah, the business.

I see. And you set out there do you in paragraph 4 that's the conversation you're talking about?---Yes. Yes, that's correct.

40

There was then a job at Homebush that you talk about in paragraph 5. Can you tell the Commission the year you think you recall that job?---Yes. Because that year was the year we got married and I ceased working as a paralegal just before we got married so that 2008 I can recall.

I see. So in paragraph 5 where you talk about the job Aoun Constructions had at Homebush that that was something that was part of your work responsibilities?---Well, I was now getting involved in the business, I was

quite aware of certain aspects of the business and I assisted as much as I could at the time.

And you say in paragraph 5 you were concerned that Mr Buckley was going to do something to take away Aoun Constructions' Sydney Water accreditation?---Yes. Yes, I was.

10 What would be the impact upon Aoun Constructions of Sydney Water withdrawing the accreditation?---Detrimental. We'd lose our livelihood. I was pregnant at the time with my first son and so therefore it was necessary for me to protect I guess my family that I was forming, beginning to form there, I had to protect, I had to step in, my husband was terrified. I saw a side of my husband that I've never seen before and that concerned me and I took desperate measures. Well, I was desperate anyway.

20 And the measures that you're describing are the ones where you made the email complaints to - - -?---Yes, I finally did that and there, the lead-up to that email, he really didn't want me to because he was scared but I just thought to myself we live in a just and fair country surely, surely I can do something and talk to someone and I was very scared pressing the send button. I was concerned what could happen and even right now I just feel like what could happen from this.

And in particular you're referring the Commission to the lengthy email you sent at the beginning of 2009 where you made allegations in writing about Mr Buckley?---Yes, because if I'm not incorrect I think I may have initially made the first inquiry as to who I should talk to, it could've been, I don't know if it was October or something.

30 It was October 2008?---Yes. So my son was born in December so I remember the business was going down, we had a very difficult three months lead-up to December and there was no money coming in and it was a terrible for us.

40 You got an email back, just look at the October 2008, if you go to the second last page of the statement which is P51. An email back in relation to your original inquiry about who do you report corruption to within Sydney Water. That was a question that you asked after having a look at the Sydney Water website and it wasn't clear to you what you should do?---I was nervous about how to put it to them and I don't, at the time I don't think I was clear as to what, what to do and I can't remember, I remember looking on the website and I can't remember what part of the website led me to being able to submit that question.

You got an email back on 17 October from a Mr David McClure - - -?
---Yes.

- - - saying that he was an audit manager in the Internal Audit Unit, that's that page I've drawn your attention to. Other than that email was there any contact whatever from Sydney Water at that time?---Not close to that date, I wasn't, as you can see from October the next time I wrote was I believe 14 February so it was that time that, between those dates was when it was, well, when I was just about to have my son and Khare was increasingly nervous about me making any complaint and I would threaten Khare, I'm going to do it, I'm going to do it, this is ridiculous.

10 Yes?---And, and finally in February I sent this and if I'm not wrong, I, I did it on my own accord. I took the risk and, and here we are.

Your son was born in December and you've sent this email on 4 February?
---February. So it was after he was born.

I see. A few weeks later Sydney Water replied?---Ah hmm.

In the email that's on that page, the third last page?---Yes.

20 Other than that was there any contact whatever from Sydney Water about the very serious complaint you'd made?---On 13 March, they wrote, so more than a month, sorry, on the same day as sending that email I got a response. So I quite happy, actually with that, just at that moment in time I thought somebody's listened. And then a month after that, I was waiting for further, to me it sounded like I had to wait for their next move.

Yes?---So on 13 March, from the dates I see here, they wrote to me.

30 Yes?---But I didn't feel comfortable with that response. I didn't, but nobody since then tried to follow up on that email to say, well have you receive it or possibly, look is everything okay or even come to the, possibly come to the office. If it was such a serious matter, I would've expected somebody to pursue it, pursue me no more than a month later I'd say further from March. So, it sort of died completely from that moment, from March.

And you didn't respond to the March email?---No.

No?---Not that I, not that I can recall.

40 Okay. And your reason for doing that is you just - - -?---Well, apart from being busy with a, my first baby, I, I just, I was actually hoping at that point that ICAC, because I actually said as a threatening, well not threatening gestures, a security measure, I said I'm following this up with ICAC. I never did. But I did it to see what kind of response, because I knew that there would probably be some level of protection if I mentioned ICAC. And they wouldn't start shifting, I don't know, saying things within Sydney Water and get us off the list. I was living with that paranoia and I, I just couldn't understand why, like if they said we can engage an external firm

such as KPMG, I would've liked to see something more substantial to show that that is, Sydney Water what they do in dealing with these kind of processes. And I don't know, it was just so, it wasn't assuring enough for me how they were going to deal with this.

10 Since you made this complaint on behalf of your husband, have you and the firm received any correspondence from Sydney Water threatening in any way the firm's accreditation?---No. But I am aware of a conversation, I didn't hear the conversation, I've heard my husband mention that there was somebody in Sydney Water by the name of Danny, who said that they're trying to get rid of you. And this was, this was last year that that started to happen. Or at least I, I don't know if it was like just before ICAC came to us or during or after, soon after.

And you were, but you were first approached by ICAC in late 2009?---I believe that's right. Yep.

20 So where in the chronology between 4 February, when you make the very serious and detailed complaint about Mr Buckley and ICAC's involvement?---It was when things were heating up, so it wasn't soon after 4 February email, it was definitely towards the end of the, latter part of 2009.

THE COMMISSIONER: Is that what happened?---I heard my husband - - -

I see?--- - - - say that there was a gentleman in Sydney Water by the name of Danny saying that he had heard that they're trying to get rid of you. So whether or not that's office gossip I don't know.

30 MR PAYNE: Yes. I have nothing further for Ms Potts. Thank you.

THE COMMISSIONER: Yes, who wishes to cross examine Ms Potts. Mr Lee?

MR LEE: No, Commissioner.

THE COMMISSIONER: Mr Stephenson?

MR STEVENSON: I do, yes, Commissioner.

40 THE COMMISSIONER: Yes, you do. Yes. There's no one else other than Mr Stevenson?

MR EURELL: Commissioner, I'd seek leave to ask just a couple of questions if I may.

THE COMMISSIONER: Mr Eurell, who do you act for again?

MR EURELL: Mr Tannous who is the, one of the persons with whom the next witness did some work.

THE COMMISSIONER: I don't understand what the relevance is of Ms Potts' evidence to Mr Tannous.

MR EURELL: I expect it's not a matter of great moment but it's significant enough that the discrepancy between what Mr Tannous will say and what other witnesses will tell the Commission needs to be the subject of at least a few questions and I expect to be very, very brief, Commissioner.

THE COMMISSIONER: All right. Proceed.

MR EURELL: Thank you. Ms Potts, I act for Mr John Tannous. Do you know who that is?---Yes, I do.

Have you ever been to his home?---I haven't personally been to his home.

Okay. Do you know where his home is?---No, I don't but if I looked at records I believe that Aoun Constructions did some work for him. I'm not sure if it was his residential address or a development site he was doing.

In your statement of 2 March, 2010 you indicated an occasion where you took, you obtained \$500 and took it to Khare Aoun?---Yeah.

Do you remember what month that was in?---No, I'm afraid I don't. I couldn't remember the exact amount, the exact date.

The exact date. Could it have been June, July or August, September?---I can't say but I, I know that it was at John Tannous' job unless he was building Powell Street, Homebush.

When were you married?---April 2008.

You say you went to Homebush, could it have been Concord?---No, it was on Parramatta Road I vividly remember. It was a street off Parramatta Road.

Was that the only occasion you were asked to take \$500 to (not transcribable)?---It was an urgent, there was an urgency for me to get in the car and come and bring that money.

Would that be yes then, that was the only time?---Yes, but I will say that I didn't know the, I can't remember the exact amount of money but I remember that it was a few hundred dollars, it wasn't, it wasn't just \$200, it was more than that amount.

Thank you, madam. Thank you, Commissioner.

THE COMMISSIONER: Thank you, Mr Eurell. Mr Stevenson?

MR STEVENSON: Ms Potts, I'm the barrister for Sydney Water, you understand that?---Yes.

I just want to get clear the order of events of your communications with Sydney Water?---Ah hmm.

10 In paragraph 11 of your statement you say that you went to the Sydney Water website - - -?---Ah hmm.

- - - and made a report and you said you received what you thought was an automated response?---Yes, and that happened, if I recall correctly within three days, just to me, it read like somebody will be in touch with you shortly regarding this matter or something along that - - -

(not transcribable) you rang a call centre and that - - -?---I didn't call, I did not call.

20 Did you make a telephone call?---I didn't make a telephone call, I, I remember writing an email because I wouldn't have gotten that short response.

All right. Well, did you include in your email your contact details can you recall?---I can't remember but possibly, the thing is I can't remember whether or not it was, when you click the button I can't remember if it gave you the email address and then like automatically connecting to your email so that you can send an email direct, if that was the case my details would probably come up directly underneath.

30 If I may refresh your memory, when you went to the website was there some form you could complete with your details and with the question that you had?---I'd rather say I can't remember because I can't remember those details.

All right. Well, can I just suggest this and see if this prompts your recollection. You left a message somehow or other which was to this effect: who do we report corruption by inspectors within Sydney Water Corporation?---And that was by an email or, whether it was a form or an email, it was electronic.

40 Do you agree that that was your message and you also said - - -?---Ah hmm.

- - - please advise the name, position and contact details of the person who we should formally report to?---If that's what I wrote, that's correct.

So you agree that was the effect of the communication you had?---That, that was the beginning of, of my first communication regarding what I was wanting to do, my intentions, my ultimate intentions.

So the second thing then was was it the response you got from Mr McClure which I think you've annexed to your statement?---Yes.

10 And these aren't in chronological order but is this right, the next thing that happened was you got the 17 October, 2008?---First, well, it's not here because I couldn't even find it on my email but it was that response which appeared to me to be an automated response saying that somebody will contact me shortly and then I got this on the 17th.

So you leave your email message, you get an automated response saying someone will contact you?---Yes.

And then you got the email did you from Mr McClure - - -?---That's correct.

20 - - - of 17 October, 2008?---That's correct.

And he said to you in the last paragraph he was happy to receive any information you had about possible corruption in Sydney Water and there's the fact that for the reasons you've explained you didn't reply to his email at that time?---Not immediately, that's correct.

30 Right. So then the next step was your long email which you sent in February, 4 February, 2009 (not transcribable) I write to you in response to your email of 17 October. And one of the things you said in that email was that you had also passed this complaint onto ICAC?---Yes.

And that was not true. Is that correct?---That's correct.

40 But you understood didn't you from what you'd written that whoever read it would have assumed that you had in fact passed your complaint onto ICAC?---No, I wouldn't, I didn't assume anything. I didn't assume anything. I, I did that to, I wanted to but I didn't do it, I was waiting to see what was going to happen and I was also using it as a tactic to, because, because of this paranoia thinking that something's, we're going to, our whole lives are going down the drain financially I, I used that as a tactic to make them see that I'm serious.

I was asking you something a little different?---Yeah.

You agree don't you that you intended that whoever read this email at Sydney Water would assume, would believe that you had already passed on your complaint to ICAC because that's what you said?---As a normal person I would, I would probably say that they may have thought that but I don't

know what Sydney Water's procedures are regarding ICAC, I wouldn't have a clue if ICAC monitors their files or what happens there so - - -

10 Just stay with the question. But you intended by saying I've also passed this complaint onto ICAC to make Sydney Water believe that you'd done just that?---And I, I didn't do it for them to believe that I did that so that they would, would know that this is very serious my allegation and I was very, very worried and I didn't know the influence that John Buckley may have had within Sydney Water. To me the picture that was painted was that he had authority and power to do anything so I don't know, I didn't know what connections he may have had within the organisation who may have possibly been working with him or about him or alongside, I don't know how Sydney Water works internally.

Anyway, it was untrue, you hadn't complained to ICAC?---Yes, I don't deny that.

20 And your involvement with ICAC came when ICAC contacted you - - -?
---They turned up at the - - -

Just wait, wait till the question is finished and it will be quicker?---Easier.

Your first contact with ICAC was when they contacted you, I think Mr Payne said later in 2009. That's correct is it?---Ah hmm.

Now the next you heard from Sydney Water was Mr McClure's reply, the email dated I think 4 February, 2009 saying this brief notice to confirm your email has been received?---Yes.

30 And I think you said earlier you were comforted by that speedy response at that point? Yes. At that point.

Did you ever speak to Mr McClure?---I - - -

There was one occasion wasn't there?---I can't, I really can't recall if I did or I didn't and if I did it would've been a very brief, brief conversation but I don't, I don't recall, I haven't written it in my statement, I, I can't - - -

40 All right. So you have some memory of speaking to him but you're not clear about what was said?---Look, I'm not too sure if it was him, if it was related to this or if, or if it was someone else in Sydney Water. I may have spoken to someone in Sydney Water. I don't know.

So you remember don't you speaking to someone at Sydney Water about your complaint?---I don't, I can't, I can't confirm or deny I did. My memory is very vague regarding any conversation and if there was it wouldn't of been such a, an in-depth conversation because I would've remembered that detailed conversation.

The truth is you can't remember what was said?---If that call did in fact ever occur. If I was contacted at all, I just, I can't recall.

Well, you certainly received an email though from Mr McClure on 13 March, 2009?---Yes. Ah hmm.

And he said to you in that email that internal audit at Sydney Water wished to examine the matter and get more details. That's right?---Yes.

10

And he said that he was prepared, that Sydney Water was prepared to engage an external firm?---Ah hmm.

He mentioned KPMG?---Ah hmm.

To do the work and that gave you more assurance about - - -?---Yes.

- - the professional and confidential way in which the matter could be dealt with. See that?---Ah hmm.

20

Well, he was reaching out to you there wasn't - - -?---He, look - - -

Just wait until the question is finished, it'll be easier?---Ah hmm.

He was reaching out to you there as you understood it to come back to him to discuss at the most convenient and confidential manner in which information of the kind that you were (not transcribable) Sydney Water could be passed across?---Ah hmm.

30 All right. That's what you understood from his email?---Oh, that he, that he, yes, that he could engage someone externally to, to assist in, in talking to me.

And you didn't reply to that email?---I didn't.

At all?---I didn't. Not that I, I've looked on my emails to see and I can't see anything from myself to him since that time.

40 Well, did it not occur to you that Sydney Water would need some more specific information if you had it to assist them investigate the serious complaint that you had made?---Well, I would've thought that if it was such a pressing matter for them they would've contacted me. They knew that it was to do with, I've written my name, I've written Aoun Constructions.

But they had contacted you.

THE COMMISSIONER: Let her finish Mr Stevenson, what you've said applies to you as well as to her?---Sorry, that if it was so important for

Sydney Water they could've, they could've easily contacted me with or without any mobile number or address because they would know Aoun Constructions details and probably approached us the same way as ICAC did, which was they turned up to the office.

Well, the point I was making when I interrupted you, and I apologise for doing that?---That's all right.

10 The point I was making, was that they had contacted you via Mr McClure's email suggesting a way forward to deal with the confidential matter with your compliant?---Yes. But clearly KPMG never contacted, Sydney Water shouldn't have to ask, if it was such, if it, if my allegation was so pressing and important, David McClure may have done his job, I don't know what his exact, the depth of his role. But KPMG could've contacted me by written correspondence. Sydney Water could've sent me more information about how, how this is going to be dealt with in more detail and even called me up to say, you know, Odelia, this is a very, very important matter. We need your assistance right now and maybe pressured me a little bit, I don't know what they should do, but that's what I probably would've expected.

20

But you, you believed it was an important matter?---I, I believed it was an important matter, but, a very important matter. But I also had my baby at the time and I was having a bit of trouble settling into motherhood, so, and I was nervous. It was just so quiet everything, that I didn't know what was happening. But I was very relieved when ICAC turned up. And I was wondering what had happened. Obviously, I was thinking Sydney Water must've contacted ICAC. But I don't know exactly what the, what actually happened in that respect. That was just my thoughts.

30 And if you'd responded to Mr McClure's invitation, things might've moved ahead more quickly mightn't they?---It's not my responsibility to, to, to know, look, I can't be put under that kind of, how could Sydney Water be of that view that I have to put the pressure to make them do something that they need to do?

40 I'm not suggesting you had any responsibility at all. What I'm simply doing is making the point that you made the complaint, Sydney Water replied asking, suggesting a way forward and you ignored that?---Well, he could've taken that as it being, it could've been ignored, but clearly it obviously wasn't important enough because they could've continued to, to hound me down. Come to my house, tell me or say I've got this KPMG, help us and this is how we're going to deal with it.

Now you mentioned earlier that your husband had said he'd heard from Danny someone?---Yes.

At Sydney Water about what you said?---Yes.

Now just so I'm clear, you didn't hear yourself anything about what Danny had said?---No, I didn't. I just said that because it's what I had heard.

So I should direct questions about that subject to your husband. Is that the way we should go?---That's correct. I would say that's the best - - -

And one last thing in your statement you say that you are a paralegal?---Ah hmm.

10 And is this right, you haven't worked as a paralegal since around 2006?
---No, since 2008.

Since you got married?---Since I got married.

And in paragraph 3 of your statement you say that your role at Aoun Constructions requires you to review, assess and take appropriate action when necessary when legal problems arise with contracts we have?---Yes, that's correct.

20 And you use do you what you've learnt as a paralegal to - - -?---Yeah. And
- - -

- - - doing some legal experience to bear?---Yes.

Right?---And some order.

Excuse me?---And some order with people.

30 Right. That's all right. Now you that your company Aoun Constructions
has entered a developer infrastructure provider agreement with Sydney
Water?---Yes, they must have.

I'll just show you a copy to, I'll show you a document. It's a long document. At the back, the second last page you'll see where everyone's signed?---Ah hmm.

7 September, 2009?---Ah hmm.

40 And your husband signed with you witnessing his signature?---That's
correct.

And do you recall whether any agreements like this were executed on dates earlier than 7 September, 2009?---I wouldn't be able to recall, unless you showed me, my signature on other documents, I'd be able to verify whether it's my signature or not. But I would not be able to recall something - - -

So you don't have a recollection of there being a necessity for your company to sign one of these agreements annually?---No, I didn't, I didn't know that.

10 All right. Well, did, in relation to this document, did you go through it and (not transcribable) and tell your husband in effect - - -?---Yes. I realise that as a contracts manager I should've probably done that. But no, I didn't, I didn't go through and I'm sure you'll be asking me about, probably about, something in there like relating to gifts. But no, I certainly didn't read the document. I strictly witnessed it, witnessed the signature.

All right. If you can go to page 6 and you'll see the documents, page 8, at the bottom of the page, page 6 of 41 and - - -?---6 of 41.

41?---Yes.

See there's a whole list of obligations that Aoun Constructions agreed to, including at 3.3.6 to act ethically?---Yes.

20 I think you're telling us that you didn't read the agreement therefore you didn't read this particular clause?---That's correct.

But it was obvious to you wasn't it that it would be necessary for your company to act ethically in relation to its dealings with Sydney Water? ---Yes, but, yes, okay, yes. I was going to add something to that but I was just assuming the questions that you were going to start asking me in relation to ethics.

30 Right. And you see that what 3.3.6 says is that your company had to act ethically in accordance with Sydney Water's Business Ethics Guide?---Ah
hmm.

And you see if you look at the last page of the agreement which is the one just after where you signed there's a copy of the Business Ethics Guide. See that?---Which I wouldn't have read but I do know that corrupt payments are generally to me not ethical.

40 All right. So you're saying it's obvious to you - - -?---It's obvious to me - -
-

It goes without saying that to make corrupt payments is not ethical behaviour?---And exactly when, and particularly when it's been, where you've been forced into a corner to have to do that or else.

There's no dispute that it's not ethical of a Sydney Water employee to ask for money, no dispute about that?---Yes.

But I think you're agreeing it was obvious to you that as part of the company's bundle of obligations to Sydney Water one would be not to make, pay bribes or offer gifts?---Ethically I would not do that, I would not do that myself individually. As a company it sounded to me that, that we had to do that and we were held to ransom basically.

10 But as you understand it your husband would explain to us how that all occurred. Is that right?---I don't, I don't even know what his statement's about to tell you the truth so I haven't discussed anything with him in terms of details of his statement or mine in fact so - - -

Thank you, Ms Potts. I tender the Development Infrastructure Provider Agreement as executed by - - -

MR PAYNE: My only rise - - -

THE COMMISSIONER: We've got one haven't we? We had the formal agreement.

20 MR STEVENSON: You have the pro forma.

THE COMMISSIONER: She's admitted she signed it. She's never read it.

MR STEVENSON: Can it be noted then on the transcript that the Business Ethics Guide which is the last page of this document is in the same form as Exhibit P34?

30 MR PAYNE: On that basis I would call for the production of the original, I'd like to see whether this, because what the contract says is you can download it from the internet, whether it's been added subsequently.

THE COMMISSIONER: Yes, thank you?---Thank you.

THE WITNESS EXCUSED

[2.43pm]

MR PAYNE: Yes. I call John William Patterson.

40 MR OATES: Please, Commissioner, my name is Oates, I seek your authorisation to appear for Mr Patterson.

THE COMMISSIONER: Yes.

MR OATES: I understand Mr Patterson will seek a declaration if you please.

THE COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act I declare that all answers given by Mr Patterson 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 accordingly there is no need for him to make objection in respect of any particular answer given or document or thing produced.

10 **PURSUANT TO SECTION 38 OF THE INDEPENDENT
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20

THE COMMISSIONER: Mr Payne.

MR PAYNE: Mr Patterson, what's your full name?

MR PATTERSON: John William Patterson.

MR PAYNE: And you are associated with a company All Pipe - - -

30

THE COMMISSIONER: Excuse me. I forgot to swear Mr Patterson in.

MR PAYNE: I apologise.

THE COMMISSIONER: Mr Patterson, do you wish to give your evidence under oath?

MR PATTERSON: Yes, please.

MR PAYNE: Mr Patterson, your full name is John William Patterson?
---Correct.

And you're associated with a company All Pipe, A-L-L P-I-P-E
Constructions Pty Limited?---Yes.

10 And they are authorised constructors for Sydney Water?---Yes.

You were once upon a time an employee of Sydney Water?---Yes.

For what period?---From 1969 to 1997, 28 years.

And what roles did you perform within Sydney Water during that period?
---I started as a maintenance employee and was promoted to overseer, salary
officer and then superintendent and Production Unit Manager. My title was
Production Unit Manager when I took the redundancy package in 1997.

20

And as part of those roles within the Maintenance Department and
elsewhere you had occasion to come across John Buckley?---Yes.

In what circumstances?---In the early eighties I was an overseer at Rockdale
depot. I had a jetting machine, hydraulic jetting machine and John Buckley
and another John, I can't remember his last name, came to the depot as my
employees to operate that machine.

I see. You participated in an examination before the Commission on 27
30 August this year and I have a transcript which I think you've had an
opportunity to glance at?---Yes.

I'll hand you a copy and one for the Commissioner. And I tender that
transcript if the Commission please.

THE COMMISSIONER: Yes. The transcript of Mr Patterson's evidence at
the compulsory examination on 27 August, 2010 is P52.

40 **#EXHIBIT P52 - STATEMENT OF JOHN PATTERSON**

MR PAYNE: Can I take you just to a few matters in that transcript, Mr
Patterson, and the numbering is on the bottom right-hand corner. The first
thing I'd like to take you to is 319PT at the bottom?---Yes.

And just introducing right at the bottom of that page, "What are your
dealing with Buckley?" "Mr Buckley have you ever dealt with him?"

“Yes, as an inspector on your work.” And just turning over the page. “At least ten sites over the period you’ve been associated with All Pipe.” Mr Buckley was the inspector if I can put it that way or the civil delivery maintenance inspector at least in relation to ten jobs?---Yeah, I estimate ten.

And in that time you made payments to Mr Buckley on I think three occasions?---Yes.

10 What jobs were they?---I can’t recall the individual jobs but it would be three of about six or seven perhaps.

And what was the occasion as doing the best you can where you made the first payment, what happened between you and Mr Buckley to cause you to make the payment of \$50?---When John Buckley would come onto the job he would intend to look at, or what I considered small things, intend to pick on different aspects of the job and made comment about things like the depth of the trench, the width benching, if a certain pipe was used and he would then proceed to say that he stopped a job on, for another constructor, that he made another constructor do, redo certain work and on one occasion
20 he told me that he had called WorkCover on, on another constructor.

And he named those people - - ?---No, no.

So he’d tell you stories about things that he’d do to other constructors. Did you form a view about why he was telling you those stories?---I didn’t really know why he was telling me, the only thing I could conclude was that he was suggesting that he had the power to do the same thing to me.

30 Yes. And in your view that would’ve been quite unwarranted and yet he did have that power?---That’s correct.

Can I ask you about CARs. You’ve been very patient and heard some evidence about it but I’d like to ask you, in a sense you’ve worked on both sides of the fence but from a constructor’s point of view there are undesirable aspects of CARs aren’t there?---Yes, obviously you’ve got to answer a CAR.

40 It can on occasion cause delay?---I would imagine it would cause delays if the CAR was issued for some, at some stage in the job where you couldn’t continue, of course.

Yes, it may have a financial consequence for the constructor?
---If the job was delayed it would have very much a financial consequence.

And there’d be reputational, reputational consequences both with the water service coordinators and perhaps the developer if there were CARs issued on a job?---I would say so, yes.

And particularly for people dependant on their accredited constructor status, a number of CARs may be taken into account by Sydney Water in whether or not to renew the accreditation status as you understood it?---I would think that that's the reason they have the Corrective Action Request.

As at least one piece of information available to them?---Yes.

10 How did it come about that you first then paid Mr Buckley? Did you have a conversation before you gave him the money or not?---No, there was no conversation. He would mention things and I, the most times just wouldn't answer or didn't sort of engage in any conversation regarding those comments.

Yes. And on three occasions you paid him \$50 is that correct?---Yes, yes.

20 And I think you've said, just to orient you at 321PT of this document that I've shown you, that you did, you did so not because you thought there was anything wrong with your work but because you wanted to avoid the potential unfavourable consequences of him continuing to in effect create problems for you?---That's correct. I'd like to just repeat that the payments were not, I'd like to say that John never verbally asked for a payment and they weren't, I would never pay anyone if there was any faults with the job. I, I would simply correct it.

Yes. I understand that and what I'm suggesting to you is you paid to avoid unwarranted and unfavourable treatment that Mr Buckley was in a position in effect to dish out to you?---Yes, that's right.

30 Can I ask you this, Mr Patterson, if I may say you seem like a man who can look after himself and you've been on the other side of the fence at Sydney Water for a long time, how, how was Mr Buckley able to do this to you of all people? Didn't you have other avenues you could have taken it up?---I'd heard that other people have made complaints and there was nothing, and nothing happened.

Do you know any more details about that?---No. No, it was only rumours that I heard, I don't - - -

40 Whilst you were at Sydney Water or when, after you'd become a constructor?---No, after I'd become a constructor.

Complaints about Mr Buckley in particular or complaints in general?
---About Mr Buckley in particular.

And it was your concern that, that if you made a complaint you might be the victim rather than the, the hero of the story?---That's right.

Can I ask you then about another topic, the inspectors of plumbing work under the New South Wales Plumbing Code, I think they're now called PIAS inspectors I'm instructed, they used to be called I think in your day with Sydney Water P and D inspectors?---Mmm.

Is that correct?---Mmm.

10 Can I ask you about the culture there. As you understand it are payments to those P and D or PIAS inspectors a regular part of plumbing inspection work?---No, I wouldn't say that at all, I, I heard rumours that some of the inspectors - - -

I see?--- - - - would, would accept payment but I must, I don't know of the individual inspectors' names, I didn't know at the time but I heard there was, some of the inspectors would, would, and they were dealing with plumbers.

20 What were the circumstances in which you heard the rumours, this is after you'd become a constructor was it?---I probably heard some while I was on Sydney Water or on the Water Board, yeah.

Well, can I ask you about that for a moment. In your Sydney Water days were rumours of inspectors in, we'll just deal with P and D at the moment, rumours of some inspectors taking bribes, was that, was that something that, that you heard regularly at Sydney Water?---No, not regularly but I did, I did hear it.

30 What was your understanding of the reporting structure or investigation structure at least at that time for dealing with PIAS inspectors?---I don't, I don't know.

Did you have any interaction with the internal audit department at Sydney Water whilst you were employed there?---I, I, I may have, I can't recall.

40 When you became a constructor and had these problems with Mr Buckley you've told me about the, you know, the reports or rumours that you'd heard about complaints about him that went nowhere, even with your knowledge of Sydney Water where would you have gone to complain if you had decided to take that course?---As a constructor I would have probably gone through the quality council.

I see. And who were the representatives of the constructors on the quality council during the last few years, do you remember?---They have changed recently, in the last year or two but do you want names?

Yes?---Or - - -

Yeah, if you can, if you can remember them because I think a number of the gentlemen have, you've probably seen them?---Yes. Phil Farrell was the water servicing coordinator - - -

Yes?--- - - - but he's since left.

Yes?---I think it's Norm, Norm Mann might be there at the moment.

10 Mr Mann, yes?---Yeah. There's a, yeah, Steve Ackerley is on there as a representative as well. The names escape me, I, I - - -

Did you ever, sorry, go on?---I'd, I have looked at them a few months ago but the actual names of the people but I can't recall their names.

Did you ever have any discussion with Mr Farrell about any complaint he made to the quality council?---Could you repeat that please?

20 Did you ever have any discussions with Mr Farrell about any complaint he may have made to the quality council?---No.

Can I ask you just a few questions about other inspectors within Sydney Water. Have you ever dealt with Mr Funovski?---No.

Have you ever dealt with Mr Kane?---No.

30 Other than your experience with Mr Buckley have you ever felt in the position as a constructor dealing with Sydney Water inspectors other than Mr Buckley that the payment of money was either sought or expected?
---No.

And have you ever paid money to anybody else?---No.

I think I have asked you this but I'll ask again and see if, the projects where payments were made to Mr Buckley, doing the best you can, can you remember anything about them at all?---There was one that I believe was a minor works, it was concrete encasement.

40 Yes?---The others, I'd just like to say that the, the issue about the payment was nothing to do with the job, the job was always right and I can't recall the individual jobs.

I understand Mr Patterson and just so we're clear I'm accepting what you've put to me and I'm suggesting to you that you were paying to avoid a response that you feared would come which was unwarranted so we're not - - ?---Yes.

- - - there's not, at least so far as I'm concerned, there's no, there's no debate?---Okay.

I have nothing further for this witness.

THE COMMISSIONER: Mr Lee?

MR LEE: Yes, thank you, Commissioner. Mr Patterson, I represent Mr Buckley, do you understand that?---Yes.

It's the case that you first had contact with Mr Buckley as an inspector in about, from about 2005 is that right?---Yes.

10

And from that time up to this year you've had involvement with him on about ten jobs. Is that correct?---Yes.

On, in relation to those ten jobs at no time did Mr Buckley cause a CAR to be issued in relation to any of your work done on those jobs?---That's correct.

But apart from works in which Mr Buckley was involved as the inspector your company has had CARs issued against it, isn't that right?---Yes.

20

I think you just told counsel assisting that you have no recollection of the particulars of a job, the three jobs where you say you gave Mr Buckley \$50, is that right?---I have vague recollections. I, I could probably narrow it down to three of about six or, six jobs.

But would it be fair to say that you're unable to distinguish between the jobs in that group of six, the jobs in which you gave, you say you gave Mr Buckley money and the other jobs in which you didn't?---That's right.

30

You said earlier that you gave Mr Buckley money in order to avoid the possibility of some unfavourable treatment down the track. Is that right? ---Yes.

In your dealings with Mr Buckley from 2005 onwards you had, you had not experienced any unfavourable treatment from him. Is that correct?---That's right.

Do you have Exhibit P52 in front of you? That's a transcript of your earlier evidence before the Commission?---No, just - - -

40

Could I ask you to turn to page 323 pt?---Yes.

Do you see on the left hand side there's a number 10 towards the top of the page?---Yes.

Just a few lines below where the number 10 is, do you see that you were asked some questions about the occasions where you say you gave, sorry,

you gave Mr Buckley some money and you outlined, in your answer you outlined a history of when the company started in 2005?---Yes.

I just want to try to understand your answer there. You said that the company started in 2005. You did not have cause to give Mr Buckley anything for the first two and a half years. Is that correct?---No, no. I haven't, I haven't given John Buckley anything for, for two and a half years. Like it was two and a half years ago.

10 Oh, okay. So what you're saying there is that you haven't given Mr Buckley any money since about 2007, 2008?---Yeah. That's right.

Is that correct?---That's what I'm saying there, that's right.

And you say that later on in your answer that Mr Buckley became more reasonable at a later date?---Yes.

Is that what you're saying in that answers?---That's what I'm saying, yes.

20 There was no particular reason as far as you were aware as to why Mr Buckley became more reasonable from a certain point in time. Is that correct?---I just noticed his, his attitude changed. And he wasn't making, like implying that he, you know, that he wanted some money.

Mr Patterson, I want to suggest to you that on no occasion did Mr Buckley ever receive amounts of \$50 from you. What do you say to that?---That's not, that's not the case.

Thank you. Nothing further, Commissioner.

30

THE COMMISSIONER: Other than Mr Stevenson is there anyone else who wishes to cross examine Mr Patterson? Mr Stevenson.

MR STEVENSON: Mr Patterson, I'm the barrister for Sydney Water. Do you understand that?---Yes. Yes.

As an accredited constructor you've entered into a developer infrastructure provider agreement with Sydney Water have you not?---(NO AUDIBLE REPLY)

40

And you understand that amongst the promises you've made under that agreement is to behave ethically. Agree?---Yes, yes.

And in particular to not offer bribes or other inducements to employees at Sydney Water. Do you agree with that?---I wasn't aware of that part of the agreement, but I believe it would be there if you've mentioned it.

But it's obvious isn't it - - ?---Yes, that's right.

- - - to behave ethically - - -?---Yes.

- - - you'd have to avoid paying bribes to Sydney Water employees. Do you agree with that?---(NO AUDIBLE REPLY)

THE COMMISSIONER: But you don't need an agreement to oblige you to do that do you?---No, not at all.

10 MR STEVENSON: And you agree don't you that by making these payments to Mr Buckley, you acted contrary to that promise to Sydney Water?---Yes.

Now as a Sydney Water employee or Water Board employee of 28 years standing, you were, can I suggest to you uniquely placed to know where to make a complaint about Mr Buckley's conduct?---Not necessarily.

Well, you had reached a senior position at the Water Board have you not? I think you said production unit manager?---Yes.

20 And in your days at the Water Board you knew that there were avenues you could follow to complain about corrupt conduct by outsiders?---I can't recall the procedures to, to complain about corrupt contractors.

But you that, you knew didn't you from your years at the Board that there were persons to whom you could complain if you wanted to about corrupt conduct?---I'd imagine just report to the, to my superior.

30 All right. Well, and on the occasions when you felt Buckley was after money from you, on those occasions, there were people at Sydney Water that you personally knew weren't there to whom you could complain? Former colleagues?---Perhaps. I can't recall the people that I already knew that were still there, I'm not sure.

Well, there's certainly people in Sydney Water on these occasions to whom you could have directed an inquiry as to where a complaint should be directed?---I considered complaining, yes.

40 Well, I'll come back to that. But do you agree that on the occasions when Mr Buckley was making clear to you that he wanted money, you had didn't you, mates still working at Sydney Water you could've rung and say, where do I go with a complaint by a current employee?---Mmm. I considered saying something about it, but I, I wasn't, I wouldn't of considered using, as you put it, my mates.

I wasn't suggesting you'd use your mates, but weren't there people who you knew at Sydney Water from your days working with the Board to whom you could've directed an inquiry about the most effective complaint route?

---I never considered, it's hard for me to answer that question because I, I didn't do it and I didn't consider taking any avenues in that regard.

THE COMMISSIONER: Excuse me Mr Stevenson. If you had your time again, is there anybody, did you know anyone at Sydney Water or did you know of a specific department in Sydney Water to, who would be an appropriate person to, to address a complaint about Mr Buckley?---No.

10 MR STEVENSON: Do you have any relations working at Sydney Water?
---Relations?

Yes?---No.

Didn't you think when Mr Buckley was making it clear to you he wanted money that if you, as a former long standing Sydney Water employee had made a complaint it would given particular weight at Sydney Water? Did that occur to you?---I don't know whether it would've or not.

20 So that didn't occur to you at the time?---No.

I suggest again, don't you agree that sitting there now, don't you agree that you were because of your long standing employment at Sydney Water, uniquely placed to make an effective complaint about Mr Buckley's conduct?---It, hypothetically if I was, is that what you're asking? I'm sorry
- - -

Well, I'm asking you to reflect on the matter sitting there now - - -?---Yes.

30 - - - in September, 2010, don't you think that you were, when Buckley made these approaches to you, uniquely placed to make an effective complaint to Sydney Water about his conduct?---No, I don't think I was.

You mentioned the Quality Council?---Mmm.

Did you know personally any people on the Quality Council?---Personally, no.

But you knew, you knew the identity of people there?---Yes.

40 So it would've been easy wouldn't it for you to go for example to any one of them, just say, look I've been working at Sydney Water for 30 years, this fellow Buckley is putting the weights on me to pay him money. Where do I go to complain? It would've been easy wouldn't it?---Perhaps, yeah.

But it's the truth that your attitude was that the amounts of money you were paying to him were relatively small and you'd rather pay them to have a quiet life and get on with your business?---The problem I could see was if I made any complaints at all it would get, nothing would be done and it would

get back to the person concerned and I would be treated unfavourably and unfairly.

THE COMMISSIONER: Why do you say that nothing would've been done?---Because I heard previously where there has been complaints and John was still in the, in the position. He was still there.

MR STEVENSON: So it didn't occur to you that you could make a more effective complaint than others because - - -?---I don't agree that I could've.
10 I don't think, just because I was employed by Sydney Water doesn't give me any more rights to extra special treatment than anyone else.

Do you think you were well regarded at Sydney Water?---I hope I was.

You didn't leave under a cloud?---No, I don't think - - -

I'm not suggesting you did. You left in good circumstances?---It was my decision to leave and I, I took, there was an opportunity to take the
20 redundancy package and I took it.

Insofar as you understood you left Sydney Water on happy terms?---Yes.

And with a good reputation?---I hope so.

Now, I think you understand this that Mr Buckley was working in the Inner West area. Did you know that?---Yes. Yes.

And were you aware of what part of Sydney the Inner West area
30 comprised?---The boundaries, I eventually learned where the boundaries were or Mr Buckley's area, yes.

And you did work outside those boundaries did you as well as inside the boundaries?---Yes.

Is this the case that when you were doing outside the boundaries you had no problem with inspectors in relation to your work?---No.

No one of those inspectors asked for money?---No.

40 None of them hinted you should pay money?---No.

So Mr Buckley was the only person engaging in that kind of conduct in your experience?---That's correct.

And Mr Payne asked you about what you'd heard about the PIAS or P and D inspectors?---Ah hmm.

I think you gave evidence as to rumours you'd heard whilst you were working at the Water Board about those people or some of those people?
---Yes.

Did you have any personal experience of any improper conduct by any of the PIAS or P and D inspectors during your days at the Board?---No. No.

Yes, thanks, Mr Patterson.

10 THE COMMISSIONER: Thank you, Mr Patterson, you're excused from your summons and you may leave the witness box.

THE WITNESS EXCUSED

[3.11pm]

MR PAYNE: Commissioner, I call Khare Aoun.

20 THE COMMISSIONER: Mr Aoun, do you wish to give your evidence under oath or do you wish to affirm the truth of your evidence?

MR AOUN: Under oath.

THE COMMISSIONER: Please be seated, Mr Aoun. Mr McIlwaine, do you wish me to make a section 38?

MR McILWAINE: Yes, I do.

10 THE COMMISSIONER: Pursuant to section 38 of the Independent Commission Against Corruption Act I declare that all answers given by Mr Aoun 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 accordingly there is no need for him 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 MR AOUN 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 ACCORDINGLY THERE IS NO NEED FOR HIM TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.**

30 MR PAYNE: Mr Aoun, what's your full name?---Khare Aoun.

Khare is K-H-A-R-E?---Correct.

And you are the principal of a company Aoun Constructions Pty Limited?
---Correct.

And Aoun Constructions Pty Limited is an accredited constructor with Sydney Water?---Correct.

40 Involved in sewerage connections in Sydney?---Correct.

For how long have you, has Aoun Constructions been an accredited constructor?---Aoun Constructions six years.

And other than yourself and your wife how many employees does Aoun Constructions have?---Right now?

Yes?---Five. Sorry in, my wife and I, you said all of us? Yeah, five, yeah.

Three, three others and your wife and yourself?---That's correct, yep.

You've made a statement in this matter?---Yes, I have.

And participated in a compulsory examination?---Yes.

I'm going to hand you both documents and ask you some questions about them?---Sure.

10 If you would look first at the statement and put the transcript of the examination to one side. That's a statement made by you containing nine annexures on 16 November, 2009?---Yes, that's correct.

And subject to two matters of correction I want to take up with you are the contents of that statement true and correct?---Correct.

Can I take you first to paragraph 17. There's a date there in the first line 1 September, 2006. Do you say that by reference to annexure 2 that that's a typographical error and it should be 1 August, 2006?---Correct.

20

And secondly can I take you to the paragraph 52 of the statement. In the third sentence you say, "I have not been asked by any of these minor works inspectors to pay a bribe." Do you see that?---Correct.

That should be corrected by reason of some answers you gave in your compulsory examination which I've handed you concerning a Mr Fayers? ---Correct.

30 Commissioner, I tender the statement and separately tender the confidential examination transcript.

THE COMMISSIONER: Yes. Mr Aoun's statement of 16 November, 2009 is Exhibit P53.

#EXHIBIT P53 - STATEMENT OF KHARE AOUN

40 THE COMMISSIONER: And Exhibit P54 is a transcript of Mr Aoun's compulsory examination on 12 August, 2010.

#EXHIBIT P54 - TRANSCRIPT OF MR AOUN'S COMPULSORY EXAMINATION DATED 12 AUGUST 2010

MR PAYNE: Can I first of all, Mr Aoun, ask you some questions in amplification of your statement so you can put P54 the transcript to one side

for a moment, I will come back to that. The statement and the annexures is the thing that I want to concentrate on with you initially. The first thing I want to ask you about is in paragraph 10. You identify a period of time 2004 until September 2009 where Aoun Constructions undertook work all over Sydney including the Inner West. In September 2009 you decided not to tender for anymore projects in the Inner West area where Mr Buckley was involved?---And sewer main projects, correct.

10 By which you mean you would do minor plumbing work where there were other inspectors but not major works where Mr Buckley would be the inspector in the Inner West?---Yes, correct.

And is that still the position, your firm is not tendering in that area or have you started to tender again now that he's been moved to other duties?
---Well, I haven't been chasing work in that area yet but hopefully in the near future we can start again.

20 Your first interaction, if you can turn over to paragraph 11, with Mr Buckley was when you were working for the family business. Was that your brother's business Aoun Plumbing was it?---That's correct.

And you saw a case of beer given to him at the completion of a job?---Yep. Yes, I did.

And as I understand it you never saw any cash change hands with Mr Buckley in relation to the Aoun Constructions business?---Aoun Plumbing business.

30 I'm sorry, Aoun Plumbing business, yes, I'm sorry?---In that job, no, I didn't.

You met Mr Buckley in person in 2005 and that's after Aoun Constructions was up and running?---Correct.

And as you say in paragraph 12 you hadn't paid John Buckley money at that time but you then carried on the practice you'd seen before of providing a case of beer to him at Christmastime did you?---That's correct.

40 Can I take you to June 2006 and Nicholas - - -

THE COMMISSIONER: Can I just ask something about that statement? In paragraph 12 of the statement, "As I have from time to time given all of the contractors including John Buckley and other Sydney Water people a case of beer or a bottle of wine et cetera" is that really contractors or is it inspectors?---Contractors mainly, developers, that's who, people that referred me work I would give just a gift.

Yes, but John Buckley's not a contractor is he?---No.

So is he the only inspector to whom you have given a case of beer or a bottle of wine at Christmas?---Correct.

Yes, thank you.

MR PAYNE: And just taking up the Commissioner's point, in paragraph 12 when you say, "and other Sydney Water people," who were those people you had in mind?---I would never, I've never given a bribe or he's never
10 asked for a bribe off me, that's Brian Kane. I've, he does drink, he loves to drink Jack Daniels. At Christmastime I, I gave him a bottle of Jack Daniels. They're the two that really ring to my head.

And Mr Kane was an inspector on some jobs you were doing in the eastern suburbs was he?---Mr Kane - - -

I'm sorry, the Hills district?---Yeah, the Hills district, yes.

THE COMMISSIONER: Would you say, would you give it to him at every
20 Christmas or just one Christmas?---There was just one Christmas. I, I had a number of projects with him and I gave him a gift.

MR PAYNE: Do you remember which Christmas it was, Mr Aoun?---(NO AUDIBLE REPLY)

The one we, the one we've just had or - - -?---No, no. It'd be three years ago, maybe even four.

Thank you. Can I then take you to June 2006 where, you start to deal with
30 this in paragraph 13, you'd had no problems with John Buckley prior to this time but the job at 20 Nicholas Avenue, Concord did involve problems?
---Yes, yes, that's correct.

Could you explain to the Commission what they were?---Well, he, he got heavy, he would, I'm, compared to the other guys that are here, they're more senior than me, I was, 2006, well, a good four years younger and five years as well, he, he'd, he would put pressure on me, bully me and just, it just got overwhelming so then he would ask off me, I want, I want money instead of beer. So he'd stop with the beer, I don't want no more beer and
40 then he would ask me for, for money.

And this is, this is in relation to 20 Nicholas Avenue, Concord that we're talking about?---Particularly Nicholas Avenue he would, he would, he actually said, he raised a number of issues, some of minor, I went offsite, I went and got lunch, he said that I went overseas which I didn't and I, yeah, I went and got lunch and I came back and, and he'd come and gone and I was, actually at that time my brother in law was there and I said what

happened? And he goes, John just came and issued some corrective actions and he was gone.

And that's the one you talk about on 1 August, 2008 which is in paragraph 17 and 18 of your statement?---That's correct. I, I then called John up and I, I said what happened and that's, you just issued these CARs so I knew that was, that's what happened.

10 About eight, nine days later on 9 September which, I'm sorry, about a month later on 9 September Mr Buckley came back to the site you recollect?---That's correct.

20 And you had the conversation that you set out there in paragraph 19. Can I ask you this, are you sure about this figure of \$500?---Yes, that's correct, I am. He raised his hand, he said I want 500 to see this job through and when he, when he said that, and the reason why I remember why he said that is because I was doing this job, particularly this job for a good, a friend of mine and he, the way we done this job particular is a bartering system, he done all my computers and I looked after his job at, at cost and I had to ask off him because I didn't have, I didn't have money to go and pay him. I, I was, you know, that's the last thing I have, to give money out to people but at the time we had to do what he, he asked of us because we didn't know what, what could happen, particularly to our accreditation, that we've fought so hard to, to acquire and stay listed and conform to Sydney Water's system so I asked of, so are you asking me the question, continue on or - - -

Just we'll back up for a moment?---Sure.

30 Just arising from that answer, you had a period where you were in effect on probation as a accredited constructor with Sydney Water and you had to do three major jobs. Was this one of them or you'd already received that accreditation by 2006?---We went through the steps to be on Sydney Water's preferred list of contractors. We had audits from the audit team, one at - - -

THE COMMISSIONER: The question is were you already on that list at the time of the Nicholas Street job or was this one of the jobs you had to do to get accredited?---I would say we were on the list on them.

40 MR PAYNE: On the list by then, I see. And just going back to paragraph 19, there's one matter I wish to draw your attention to. I put 9 September to you which is in the statement but have a look at, behind your, tab 3 of your annexures and the audit date there is actually 9 August, 2006, if you look down on the left-hand side the audit date says 9 August, 2006, do you see that? It's 9/08, it's not terribly clear but - - -?---Yes, I see that.

So just going back then to paragraph 19, should the Commissioner understand that to be 9 August as the day that this conversation took place?

---Oh, not September.

THE COMMISSIONER: That's correct?---That's correct.

MR PAYNE: That's correct, thank you. Can I then take you to paragraph 21 and you've started to tell me about Mr, Mr Tannous, now he's a personal friend of yours, is he?---Well, yes.

10 And you set out some conversation and we just, we need to be clear about this, Mr Tannous, do you have a clear recollection, Mr Aoun, I'm sorry, Mr Aoun, do you have a clear recollection that it was Mr Tannous who gave you \$500 to pay Mr Buckley?---Yes, that's correct.

20 So there can be no debate about it?---Well, there can't be no debate but at the same time Mr Tannous was giving me money for the job as well, for the works that we had, we'd been doing so he'd paid, he, he was very good, he would pay money and then he would, just for the materials and, and then one-off, this one-off job when I asked for an additional \$500 this was for Sydney Water, for John Buckley, that's what the money was for.

I understand but let me, let's go back a step. You were paid for this job in stages, were you?---Yes.

And so payments would be made to you, what, by cheque or by cash by Mr Tannous?---By, by cash.

30 And when you would pay for materials and so on you, you would give him an invoice or you'd just tell him about it?---Well, he'd seek progression in the job and then he would know that the work's being done.

And so there were regular cash payments?---Yeah, that's correct.

You set out in paragraph 21 that you informed him that we needed, so that's Aoun Constructions, needed \$500 cash to pay Sydney Water inspector John and you said it was because he was a, it might be a typographical error, but you've said what you've said there in paragraph 21?---Bastard.

40 Yeah. Is there any room in your mind for possible confusion about why the \$500 was paid, namely is it possible that you asked for - - -?---None whatsoever.

You asked for \$500 and Mr Tannous might have misunderstood?---No, John asked for \$500. I went and asked John, John Buckley asked for 500.

Yes?---Then John Tannous, I went and asked John Tannous for, well, I told him what, what the situation is and he said - - -

And that's my question, we'll just focus on that, I accept what you say, that Mr Buckley has demanded \$500 and I think you told me you didn't have \$500, that the company was in an infant state at that stage, was it?---That's correct.

And so you needed the money from somewhere else and you say you approached Mr Tannous, I'm just concentrating at the moment on how you got the money from Mr Tannous and whether there was any possibility of confusion in your mind between you and Mr Tannous about why you required this \$500?---No.

THE COMMISSIONER: Could Mr Tannous have been confused?---Yes, of course he would have been, being, you know, he's not in the industry as I am all the time and seeing this quite often, particularly with John Buckley. He, he wouldn't, he wouldn't know what, what it was all about. (not transcribable)

But did he understand that the \$500 was to pay a bribe?---I did tell him.

MR PAYNE: So as you say in paragraph 21, you got the \$500 and you paid it to Mr Buckley. Did anyone see that exchange of funds?---I wasn't looking around to see if anyone was, I didn't, I mean, I, no, I can't recall anyone.

Was there anyone else from Aoun Constructions on the job or were you the, were you the only man on the spot?---Only, only man on the spot.

I see. You say in paragraph 5, paragraph 22, that you knew paying Mr Buckley \$500 was the wrong thing to do. Can you tell the Commissioner in your own words why you didn't complain to Sydney Water about Mr Buckley?---Why I didn't complain about Mr, I just, I'd just been recently put on Sydney Water's list from provisional to accredited supplier and we were seeking further accreditation and the last thing I needed to have all the audit managers or the team chasing me or putting more pressure unnecessarily on our business. And that's, that's the real reason, because I don't know who, who he knows, I don't know what his position really is. No one ever defined where, where it goes in the ranks. I did approach, this is a while back, I did approach a person by the name of Ian Barnes. He told me to go and make a complaint through the, through the complaint system. Well, that's as far as it went. Then I, in between all that I'd have a conversation with my wife, you know, talking about just particular things and the pressure that I was under and that's when she forwarded on, sorry, am I jumping ahead?

I think so. It's all right, Mr Aoun. It seems that your reward for paying \$500 for Mr Buckley was a number of CARs, and I've been a little puzzled about that. Is one explanation that you were new to the job and that you, he was coming down particularly hard on you?---Which annexure is it?

It's your attachment 3. There's two Corrective Actions issued by him and you pay the money and then paragraph 23 you heard back from the developer almost twelve months after that the inspection hadn't been completed. I take it you'd understood that payment of the money would smooth the way and that that would, Mr Buckley wouldn't create any trouble and that the Section 73 certificate would flow?---Of course. That's why he asked for the money. I thought that was the whole reason. He raised the issues, some as minor as the dislodgement of a maintenance shaft.

10

And in paragraph 24 you say you told them that John Buckley had, had inspected the job. That had taken place on the day when you'd paid the money, had it?---That's correct.

And confirmed by him. And I take it that then the job was passed?
---Finally.

20

Yeah. Can we then move to the job at Milton Street, Silverwater, which you address in paragraph 26 and following of your statement. You set out a conversation there in paragraph 27. He says, "The pipe is, I want \$300 for this job. That is getting out of it cheaply as the pipe is flat." What does that mean?---(NO AUDIBLE REPLY)

What's a, what's a flat pipe got to do with these things?---Well, he told me that the pipe was laid flat.

And that's an undesirable thing in sewer construction, is it?---Well, one per cent is the minimum. And I, I think that was ridiculous.

30

Just bear with me. As a lawyer I just want to make sure I understand that there needs to be an angle of the connection so that the water can flow. Is that what you're saying to me?---Correct.

I see. And he said, no, no, the pipe is flat on the ground. That would have the effect what, the sewerage would then block up rather than flow as it should. Is that the- -?---Correct.

40

And so this would be, if true, would be quite a significant issue, wouldn't it, if the pipe were flat? That would be something that would be quite undesirable to happen?---Correct.

And you say, do you, that the pipe was not flat?---Correct.

I see?---We had testers go out to site, test the project. The water servicing coordinator ah, do his spot levelling and they would have picked, they picked this up during the work as constructed stage.

I see. So the water services coordinator would come out with a spirit level and they would test the various points along the pipe prior to its connection to the sewer to make sure that there was a sufficient gradient for flow?
---Some do and some don't.

I see?---It's not, I don't believe it's their- - -

Had you tested prior to Mr Buckley coming out to make sure that it wasn't flat?---Of course. I'm a trained licensed plumber. That's all I do. I lay
10 pipes.

Yes. Because of what had happened at the Nicholas Avenue job, you actually had cash with you on this occasion, did you?---Correct.

Was anybody around when you paid the money?---No one was around, but Pascal, the water servicing coordinator, he was on the, in the site.

Is that, is that Bob Pascoe?---No, no, no.

20 Another person?---Another water servicing coordinator.

Whose name is Pascal what?---Delahoy. I never mentioned this 'cause I wasn't asked, but he was inside the site. I just, he didn't see any exchanges.

Did you have any discussions with him about the payment that Mr Buckley had sought from you that you, you had given across?---Yes, I did.

And that was at or about that time, was it?---Yes.

30 And after you paid the money, there was no CAR issued in relation to this job?---That's correct.

Can I take you then to the 58 to 56 Powell Street, Homebush job. That's quite a significant development, isn't it?---Yes, it is.

And the value of the contract to Aoun Constructions for this development was what?---Ah, from memory, fifty thousand, from memory.

40 I see. You might have heard some questions that Sydney Water's counsel addressed to your wife prior to your giving evidence. Is there any possible confusion between this site in Powell Street, Homebush and the Concord site, the residential development that you were doing?---Definitely not.

And why is that?---(NO AUDIBLE REPLY)

Is Powell Street just a much bigger site?---My wife never went to ah, Homebush, to Concord.

Leave that to one side. Just comparing the two sites, Powell Street, Homebush is a major development, I take it?---Oh, yes, it's fifty units plus.

I see. And Concord was a, was a house?---One house.

Can I ask you about paragraph 35 and 36 and just doing the best you can, and having had the opportunity to reflect on this, can you do any better about the date of this payment than about twelve months after the repair was completed, which is what you say in paragraph 35, you see?---(NO
10 AUDIBLE REPLY)

This is the day that you actually had to pay the bribe?---The repair, the builder took it on his own accord to go out to site and to, well, to start excavation without the consent, the CCN notice from Sydney Water or from the water servicing coordinator. So he ripped out the pipe and then I somehow got implicated in all of that. John Buckley issued me with Corrective Actions saying I'd commenced work and that we were doing an illegal connection, but the only, the fact of the matter is, the builder cut the pipe out and I was, his contractor which he engaged, he rang me up and
20 said, "Listen, can you please come and rectify the work that was here?" I rectified the work, I got Corrective Actions and then construction of the site had been finished with the development site. We then went out to site, done our pipe diversion.

Okay.

THE COMMISSIONER: Mr Aoun, I think you've just been asked if you were able to identify the date of this occurrence and - - -

30 MR PAYNE: Can I take, sorry, Commissioner.

THE COMMISSIONER: - - - more closely than what you've done. You said about 12 months, are you able to say with greater accuracy when that was?---At the end of the project once, 12 months. I just have to look at the - - -

MR PAYNE: Can I direct your attention just in answering Commissioner's question because I'm just puzzled about it to your tab 6 because there seems, there's an MYOB printout and it's got some confusing information
40 on it and I just wonder if you could help me with it. This is your business record of the \$500 payment. If you see it in printing there John Buckley, Sydney Water, \$500?---That's correct. Now I remember, sorry.

Okay?---Yes.

There seems to be two different dates on it and it may be that, is the 9/11/2009 is that the date this was printed out or is that the date the entry was made?---That, that was the date the entry was made.

I see. So it's November 2009 you think that what we're talking about in paragraph 36 took place but someone has written, I just want to draw your attention to it, someone has written in hand and I don't know who July 2009. Is that your handwriting?---No.

Do you know whose handwriting it is?---'Cause at the time we were doing so many projects in John Buckley's area I just can't, I'm sorry, I can't recall.

10

It's all right, Mr Aoun, I'm just trying to nail it down. The other peculiar thing about it is there seems to be MYOB for the '08, '09 financial year so it puzzles me that either date July or November '09 is there but - - -?---The actual recording was done by our bookkeeper, his name's Ross Partridge. At the time I asked Ross to give me \$500 or give it to my wife, she then picked up the money and Ross would ask me, Khare, what's this? And I said to him, Just write it as a gift or something. And he goes, Well, I need a tax invoice from Sydney Water. And I, I lied to him just saying that, You'll get it in the mail, which we never got a tax invoice from anyone. So my wife picked that money up and delivered it to me at Powell Street.

20

I see. And could it be Mr Partridge's handwriting?---Correct.

Which would mean that it's more likely that the payment was in July 2009 rather than November 2009 or can't you say?---I can't recall.

It's all right. Then can I ask you about paragraph 39. You say you had a conversation with Antonio Martinez, is it correct that that should be Antonis Anastassiades?---That's correct.

30

So we should take that out, that's spelt A-N-T-O-N-I-S A-N-A-S-T-A-S-S-I-A-D-E-S. So Mr Martinez that's an error. Nonetheless you set out a conversation there, Mr Anastassiades told you that Mr Price from Sydney Water had been on the phone to him and they're coming after you?---That's correct.

And you said, I've paid him, you shouldn't be saying this to me but it's no secret. Is that the only conversation you had with Mr Anastassiades about Sydney Water and the payment to Mr Buckley?---That's correct.

40

Did you have a conversation at any time with Mr Price after this date?
---Yes, I did.

When was that?---I can't, it was after this, this particular job. Mr Price, Jim Price said to me, Jim Price said to me that we all know that Sydney Water inspectors get money and get paid, we'll just turn a blind eye to it. That's what he said to me and when he said that to me it doesn't matter what letter

you send, it doesn't matter who you go to it ends up nowhere, it falls on deaf ears.

This is important, Mr Aoun, and that conversation's not in your statement?
---Yes, I know.

Can you tell me when it occurred and, I'm sorry. Can you tell me when it occurred?---(NO AUDIBLE REPLY)

10 It is in your confidential examination, I should make clear to you, it's not as if you never said it before but we haven't got a date. If you can't help me with it that's all right just let me know?---I'm sorry.

Sometime after this. There's then the complaint made by your wife, the original inquiry really made by your wife I think when she was seven months pregnant at the end of 2008. You saw that at the time did you?
---No, I didn't.

20 When she made the, I withdraw that. You do set out in paragraph 44 a conversation with a Mr Barnes from Sydney Water, to your knowledge is he on the same level with Mr Price?---As far as I'm aware, yes.

And they work as auditors within the urban growth area as you understand it?---Yes, that's correct.

Which isn't the maintenance area that Mr Buckley comes from but you can say this was, you told him you wanted to make a complaint about Mr Buckley?---Correct.

30 And what did Mr Barnes say?---Well, you'll have to go through the call centre or write a, a, you know what, it was very unclear. All he was there to check up on my work and, and make sure everything is done properly, he didn't really care about my complaint.

THE COMMISSIONER: Can I just ask you about paragraph 45. You've got that there, Mr Aoun? It says, "I informed him that I wanted to make a complaint about John Buckley. Ian Barnes informed me that he would a formal complaint." I think there's a word missing, is that, is that word need, that he would need a formal complaint?---Correct.

40 MR PAYNE: I see. Thank you, Commissioner. Can I just clear up something about paragraph 46. You say your brother Tony Aoun is sick of having to pay bribes but do you have any actual knowledge yourself of Tony Aoun paying bribes?---No, I was the director and I was the money when it came to making any decision like that.

I see. So he was working with your firm Aoun Constructions - - -?---Yes.

- - - and because of what had happened to you he left. Is that what you're conveying?---Correct.

Yes, I see. You say in paragraph 47 you never paid a bribe to other Sydney Water civil inspectors so we're talking about the major works inspectors here. Have you ever dealt with a Mr Funovski?---No.

And I think you mentioned that you had given a bottle of scotch to a Mr Brian Kane?---Jack Daniel at Christmas.

10

But nothing else?---No.

You set out in paragraph 49 the fact that he intended to become a water services coordinator so that's another step on the ladder is it after constructor, that would be actually responsible for the design of the sewer works?---Correct.

20

And you weren't successful. And you believe that in part had to do with a number of CARs which had been issued to you. Did anyone tell you that? ---Correct, that's correct. We went to a Sydney Water briefing, a colleague of mine from work and they raised up one of the issues, an external auditing firm ceased looking at our tender because of our Corrective Actions that were raised, that we had too many.

30

I see. So Sydney Water had sent out some external auditor and they had some filtering process about people who could become WSCs and as you understood it or as you were told one of the criteria for filtering people through was how many CARs had been issued?---Well, not at the beginning. I mean if they had told me that I wouldn't have bothered wasting my time.

Through that process, that's what the external auditors were, they were applying some filter that you didn't know about but you subsequently learned they had applied to you?---Correct.

40

And you say over sixty per cent of the CARs that your firm had received had been issued either by Buckley or indirectly through Buckley via a coordinator. Can you explain the second part of that?---Yeah. He would ah, ring up the coordinator and, and convey that he recommends that he, that they issue Aoun Constructions with Corrective Action, so we'd get a Corrective Action from him and then another set of Corrective, pretty much word-for-word for what he said, a Corrective Action from the water servicing coordinator, Cardno Young being one of them, North Western Surveyors, another company, and when you have too many of these Corrective Actions from, one water servicing, they just don't want to deal with you, they, they, you lose any business that, that you, yeah, think that you could ever get from them in the future, it just won't, you won't see their business again.

And how do you know that the water service coordinators were acting at the suggestion of Mr Buckley?---Well, the way he had approached them and you just, just, he bullies, he's a, he just bullies them and bullies, bullies everyone into a position where no one feels comfortable and you just don't know what he's going to do.

10 THE COMMISSIONER: Mr Aoun, how did you know, do you understand what you're being asked is, is how do you know that the, that in these particular cases when the water service coordinators issued a CAR that they did so because, they did so at Mr Buckley's direction. How do you know that?---Well, they wouldn't issue a CAR. They didn't issue a CAR. They, they would ring me up and say, "Khare, look, we have to get some things rectified but John Buckley's called me and told me that I need to issue you with a CAR."

Has that happened each time the water services people issued you with a CAR or- - -?---With John Buckley.

20 Where he was involved?---Yes. I developed relationships with Cardno Young. I've developed, this has been going well before I started my business, my own business, I developed a relationship with Cardno Young, North Western Surveyors. I'd refer them work, they referred me work. We become a preferred contractor on their list. I haven't seen a job from Cardno Young ever since this job had been finalised.

Which is this job?---This job in, in Nicholas Street, Concord. I haven't done one work, one, one job for them since then.

30 When, what was the effect of the CARs that were issued on that job, did they, did they cause problems with the work?---(NO AUDIBLE REPLY)

Do you remember?---They slowed the job down, yes, they did.

So they caused delays?---Of course.

40 And how long were the delays? Have you any, do you have any recollection?---Powell Street, the tenants could not move in until John Buckley had finalised the project and fifty-six units, \$200,000 each, right, I'm not sure but it sounds like five, six million dollars. I'm just guessing there. That's a, that's a lot of money. And no Section 73 certificate issued until the work's finalised, till the work is, till John Buckley signs off the job. The CARs were a huge, huge problem. We'd send him over responses to the best of our knowledge, the best of our ability, and he would reject them. He'll reject them, he'll reject them, and- - -

And then you paid?---Then we'd pay, yes. We- - -

And then what would happen after you paid?---Well, the job would be finished.

He would sign off on it?---(NO AUDIBLE REPLY)

He would sign off on the work that he'd previously rejected?---He would still mention he's not happy with the responses but he would sign off on them, yes.

10 MR PAYNE: Can I take you, you can put the statement to one side, Mr Aoun. I want to just ask you some questions about the transcript of the examination, which is, for the transcript is P54, so it's a much slimmer document. You were telling me about Mr Price, and just so that we're all on the same page, if you look at 43PT, the page number is in the bottom right-hand corner, just tell me when you're there, and it's the, it's the question that starts, there's line numbers down the left-hand side of the page and the line number is line number 40. Do you see that? And the question that you were asked then, that's a month or so ago, "Did you speak to anyone else about Buckley asking for \$500 at that time?" And we're talking about the
20 Powell Street, Homebush bribe.

THE COMMISSIONER: What page? Sorry, I missed the page.

MR PAYNE: 43PT, Commissioner.

THE COMMISSIONER: Thank you.

MR PAYNE: At line 40. Do you have that, Mr Aoun?---Yes, I do.

30 And just to orient you, what we're talking about is the \$500 bribe at 56-58 Powell Street, Homebush. Okay. And what you've said there is, "I do remember having a conversation with a gentleman by the name of Jim Price from Sydney Water." Now, that's the conversation you had started to tell me about when we were asking about the Homebush job. What was the occasion that you had to talk to Jim Price, why were you talking to him, was it on the phone, was it in person?---The conversation I had with Jim Price was, it wasn't that long of a conversation, it was just, I asked a couple of questions- - -

40 THE COMMISSIONER: Where were you?---I had a phone call conversation with him. I just can't recall, I can't, I can't remember where, where I was when I had this conversation.

But it was on the telephone?---It was on the telephone. And I asked him and he said- - -

You asked him what?---Well, I asked him, well, I asked him about ah, what do we do about bribes, what do we, just let me have a think about it. I asked

him, I don't know the actual, how I got, just, I can't remember how I got, got around to saying it and I asked him, look, I, 'cause I was tip-toeing a way around as well myself, to be honest with you, I was scared of having to say, look, I've given John Buckley a bribe, which now I could say that. At the time I was very very scared about asking John ah, saying to Jim Price that what he, what do we do about giving ah, or, or, or saying anything about a bribe to Sydney Water contractor, Sydney Water civil maintenance inspectors. And his reply was, "Look, we all know a box of beer or a, or a Johnnie Walker or a Jack Daniels is okay to, for, for a gift or for
10 Christmas." And when he said that, that's, my, my attitude really changed towards all of them being in the audit group that really, what chance have we really got when we're having to deal with the auditors have got that attitude and John Buckley requesting and asking money off us. What, what's the point?---Then every time I get a corrective action or something and you just do your best to close it and, and be on, be on with the job and that's when I just, enough was enough and I just said to the other contractors well, good luck and they can have the job and I just got out of that whole area altogether.

20 Yes, thank you.

MR PAYNE: Mr Aoun, there is one thing I'm a little puzzled about. You had been told I think, we've discussed this in your statement, by Mr Antonis Anastassiades, that Mr Price was the one from Sydney Water who'd apparently said that they were coming after too. This conversation with Mr Price was, was after that time?---I can't recall.

30 Have you had any interactions with Mr Price after the payment of the bribe right up to the present day other than this telephone call that, that we've just discussed?---Not really, no. When I said, sorry, when I said not really I mean I have in a conversation about a, a different tender altogether.

You were here when your wife gave evidence earlier I take it?---Correct.

She talked about a conversation with you and a Danny from SWC. Can you tell us anything at all about any such conversation?---Yes, I can.

40 What was that?---Danny used to work in John Buckley's area and for some, some reason he got moved, I don't know why he got moved but he, he got moved to the Hills area.

Has Danny got a surname? Is it Ghantous?---That rings a bell, is he, he's an, I think it is Danny Ghantous.

All right. Well, tell me about the conversation. This is a conversation you had with Mr Ghantous, is it, after he'd been moved to the Hills?---That's correct. He, he, he lives in the Bankstown area, that's what he told me anyway, and I said well, what are you doing here, when I say here, the job

was at Post Office Street in Carlingford and I was really surprised because he's in, he works in that, that area of John Buckley and I, I, so he'd come in sometimes when John was sick or something but then he got moved altogether to the area in the Hills district which is, I think that's, I don't know what branch that is and he came around and done an inspection on Post Office Street in Carlingford and I said to him what are you doing here and, oh, we just had a conversation about, you know, things and jobs and, and he was just mentioning and then we just started speaking about John Buckley and that and then he would say look, I don't know what you done to him but let me tell you, he is, he's after you. He hates you, he, I don't know what you've done to him and I, I said what have I done to him? I'm out of his hair, that's what I've done to him, I've gone. He's done something to me. He, he's the one that drove me away from the area, he's the one that stopped my, we've made and lost revenue in that area, I haven't done nothing and that was the end of that and he just passed my job off, he was happy with everything.

Can I just draw this together. Sitting here today look back to the time of the last bribe you paid Mr Buckley, are you aware of any approach either directly or indirectly from Sydney Water which threatens your accreditation in any way?---Can you repeat that again please.

Has anything happened since the time of the bribe which I think as we've discussed is perhaps July, perhaps November, 2009 and today to call your accreditation into question in any way?---No, no.

THE COMMISSIONER: Have you heard that steps have been taken, the beginning of steps have been taken to affect your accreditation, have you heard anything about that?---I have, I, through a water servicing coordinator, from a guy called Pascal Delahoy, he told me they're, they're trying to scrap you off the, just off, off the list and I said how can, you can't just scrap someone off the list, that was just one of the things that he said to me and I was just - - -

When did he tell you that?---That was about nine, maybe a year ago.

Well, can you be more accurate than that?---I'm sorry, I deal with him quite often, I really can't. He doesn't even work for Sydney Water, he's just a water servicing coordinator.

Was it before your after your wife had complained about the bribery?
---After.

How long after?---I don't even know if they're linked, I, I wouldn't know.

I'm not asking you if they're linked?---Yes, sorry.

I'm just asking you how long after the bribery did this man say those things to you?---Probably about seven, eight months.

Have you heard anything else?---I haven't heard anything, no, since then.

MR PAYNE: Can I ask you, I do notice the time, Commissioner. Do you propose to sit on until we finish at least the evidence in chief? I'll be about another ten, 15 minutes or would you prefer the morning?

10 THE COMMISSIONER: I think we'll start, I think we'll adjourn and we can start - - -

MR PAYNE: If the Commission pleases.

THE WITNESS STOOD DOWN [4.07pm]

20 THE COMMISSIONER: Adjourned until 10 o'clock tomorrow.

AT 4.07pm THE MATTER WAS ADJOURNED ACCORDINGLY [4.07pm]