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INDEPENDENT COMMISSION AGAINST CORRUPTION

THERESA HAMILTON ASSISTANT COMMISSIONER

PUBLIC HEARING

OPERATION BARROW

Reference: Operation E10/0395

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY 27 MARCH 2012

AT 2.15 PM

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 LYNCH: Mr Au, you mentioned that the – before the luncheon adjournment that the application was subject to a deferred commencement approval. Was that so?---Yes, is, yeah, from the email I got information.

10 And a deferred commencement means that, does it not, that no work is able to be carried out on the premises that is subject of the DA until certain conditions are satisfied?---Yeah, there's some conditions, yes, apply, yes.

And you're not permitted to carry out the – the applicant is not permitted to carry out any work on the site, the subject of the DA until those conditions have been satisfied. Is that right?---Yes.

And was any work being carried out prior to March 2010 at, at Ms Liang's development site at Harrow Road?---Mainly is the discussion of say the noise problem with the architect and - - -

20 No, was any work being carried out, leaving aside discussions or advice - - - ?---Yes.

Was any work being done in the nature of pulling down or putting up structures?---Yes, there's some, some preparation, all right, there's some preparation. Some say gyprock moving, all right and, and some preparation work there.

What was the preparation work?---Such as - - -

30 Removing gyprock walls or a wall?---Yeah, the gyprock, all right, and they prepare how to partition it and then they buy the, the toilet and see where they should put it there.

They bought things but they – had they commenced any work apart from the removal of the old gyprock wall?---I'm not aware they commence anything, but a lot of preparation there.

40 On your understanding it's not, it's not lawfully permitted to start work until deferred commencement conditions are met in relation to a DA is it?--- Yeah, that's correct but they can, they can prepare, they can buy something there all ready for the job to be done.

Now did you cease intervening with the council officers on Ms Liang's behalf in late February 2010?---Sorry, say again.

Did you stop, did you stop liaising with the council officers in late February 2010 on Ms Liang's behalf?---Yes.

Why did you stop?---The reason is communication with the architect Addison and he mention about is the applicant, all right, may just go back to China doing her trading business, all right. And maybe sell the business and it looks like the interest is losing the business, losing the interest. And so considering that I say, oh, maybe, maybe the applicant already start to lose the interest so, so at that point I think is, is a bit – and also I make some phone call, all right, to her and is uncontactable and Addison mention about she could be China. So if that's the case maybe she really lose the interest. So I just stop continue liaise.

10

Did you have some disagreement or falling out with Ms Liang?---Ah, I'm not aware of that.

Is the email you referred to in your answer a moment ago, can you look at page 53?---53, yes.

Is that the email you're referring to from Addison Wu- -?---Yes.

20 - - - that refers to the possibility of Ms Liang going to China alternatively running, renting the business out to someone else if the restaurant gets too hard for her?---Yes, that is the impression I got from the architect.

That's the information- -?---Yeah, that's the information I got.

- - -that you referred to a moment ago?---Yeah, that's right, yes.

Doesn't say she is going away or that she's given up on the development, it just says the architect says she might do that?---Yes, she- - -

30 And if she, if she does that, then certain things might happen?---Yeah. She mentioned, like, like, towards the end she may just simply do trading business, all right, so she start to lose the interest.

Now, in the period between, pardon me a moment, you spoke to Ms Liang on the phone quite often, did you not?---Yes, I have, yes, is, yeah, many conversations with Liang, yes.

40 About what?---About, about the, the building and pest progress, all right, is, and about the, the, what's her plan, all right, she did mention about, yes, she tried to run it as, instead of like from 7.00 to 2.00 she's thinking about to run it as a 24 hours.

So that was changing the Development Application to, or varying it to include an application for consent to operate 24 hours a day she told you? ---Yes, she's, yeah, changing, all right, subject to the planning department's approval.

And that's something in which you negotiated with the Council officers on her behalf also, is it?---I, I don't negotiate, just ask, all right, that is the, that is a request from, from her, asking me to relay the message to the planning department.

Why did you do it rather than her architect or her- -?---That is a request from the residents, all right, and it is a bridge between the community and Council, so my role is, it is a bridge, she ask me, you just ask the planning department whether is, is that okay.

10

Well, you're more, you're acting more than a bridge, weren't you, you were acting as a vehicle to convey her application, to amend her application, were you not?---That, that is a request from her asking me to ask the planning department and the planning department is the final authority to approve or not. I have no authority to approve it. She fully aware of that.

20

Now, your phone calls ceased on about 14 February, 2010. What was it that led to that ceasing of calls when they'd been quite regular over the previous months between mid September and early February?---The reason is I got the information from Addison and mentioning about as indicated here and, and- - -

The information in that email that I just put to you, is that what you meant? ---Yeah, yeah, yeah, the email, right, so looks like she start, started to lose interest.

30

Did you ask her if she's lost interest or you didn't speak to her, you just thought that she may have lost interest?---I, I couldn't get hold of her, yes, right, I couldn't get hold of her because she's, I make, I attempt to make phone calls, all right, but couldn't get hold of her and then as indicated by Addison Wu and she could be in China already.

MR LYNCH: Pardon me a moment. Now, do you know someone called, excuse me, Pui, P-U-I, Ping, P-I-N-G, Lau, L-A-U?, Pui Ping Lau?---Pui Ping Lau, ah, yeah, not familiar with it, Pui Ping Lau.

40

Do you know who bought the company AAA Building Pest Solutions Pty Limited?---Pui Ping Lau, no, I, I, I have no memory. No, I have no memory about that name, Pui Ping Lau, no.

Now when you, when you charged your clients \$400 an hour for each inspection for pest or building - - -?---Mmm.

- - - was the \$400 figure inclusive of GST or exclusive of GST?---It's inclusive.

And do you make that clear to your clients, that the \$400 includes GST?

---Yes, when they pay and they ask whether GST included I will tell them yes, it's included.

And does the company to your knowledge complete BAS statements for payments of quarterly GST?---It is up the company or the accountant, all right, I, I don't bill, I'm not part of the company.

But to your knowledge does it do that?---Sorry?

10 To your knowledge does the company do that, the various companies which employed you of which you were the manager?---Yeah, I, I, I'm not, I'm not sure whether the company do it or not, all right, yes, I, I'm not part of the company so usually I just mind my own business.

How old are you?---Sorry?

How old are you, Mr Au?---I'm over 60.

And how old's your sister, May Shum?---My sister's 50-something.

20

All right. Do you say you leave all of the financial and reporting obligations for the company to your sister?---Yes.

Excuse me a moment. Did the property at Lidcombe that you inspected in early 2009 at Ms Liang's request, did - - -?---Yes, requested by her, yes.

- - - did that have any asbestos issues, can you remember?---That, that was a long time ago, I, I can't really remember the specifics but I'm qualified to check asbestos, I studied that before.

30

If you can't remember - - -?---I can't remember, its so long ago.

Now can you look please at that email at page 53 - - -?---Yes.

- - - in the documents before you annexed to Mr Brisby's statement. Did you provide any advice to, to Mr Addison Wu that resulted in an amendment to the, to the Development Application pursuant to section 96?---Sorry, which part you're talking about, sorry.

40 I'm just asking you a question - - -?---Yes.

- - - firstly?---Yes.

Did you provide some advice to Mr Addison Wu that led to an amendment to – a section 96 amendment to the original application?---Yeah, we have discussion about the sushi bar, all right, and - - -

What was the advice that you gave - - -?---The advice is, I say sushi bar should be located very close to the sewerage system, all right, you know to minimise the connection cost and so I did give some sort of advice to him. So he amend it accordingly.

10 All right. Did you advise him that he would need to amend the original application by making a section 96 application?---When he, we have the discussion about that, he never mention about the section 96. He just ask about sushi bar, what is the best location to put the sushi bar and what is the cost effective way. So I, I say you have to really consider sewerage problem, because the sushi bar will be connected to the sewerage system and when you, the closer the better and so that is the (not transcribable) for the sushi bar.

Do you know if it led to the 96 application?---He hasn't mention about any 96.

Can you look at page 53?---Yes.

20 That email from him to you dated 3 February, 2010?---Yes.

Can you read that to yourself?---This is the first paragraph?

Many days ago - - -?---Okay, yes. Yeah, when he - - -

You see the second paragraph says, further more as per your advice - - -? ---Yes.

30 - - - we did another amendment with sushi bar added as per section 96 a few days ago. Also we have a duty officer checked and paid a fee?---Ah hmm.

In that email - - -?---Yes.

- - - is he suggesting to you that as a result of advice you gave he put in a section 96 amendment application?---That time when we discuss he hasn't mention about any section 96.

But in the email to you - - -?---Yes.

40 - - - he specifically refers to your advice and as per your advice we did another amendment with the sushi bar added as per section 96 a few days ago?---Mmm.

Were you advising him about how to vary the Development Application to accommodate any changes to the sushi bar that had been proposed by you or anyone else?---During the conversation between Addison and myself he did not mention about section 96. He must mention about, all right, where is the best place to locate the sushi bar.

All right. When was the, when was the advice that you gave him, Mr Au?
---That is, must be before February 3, all right. And so he ask me where's
the best to locate the sushi bar, so I say - - -

All right. I'm just trying to ascertain when that advice that's referred to in
this email was provided. Clearly before 3 February?---That before, yeah
before - - -

10 Are you able to say when that advice was given?---Before 3 February is, I, I
cannot remember the date, all right. Is, there, there was a conversation, all
right, is discussing about sushi bar. But I cannot remember which day.
Must be before February 3.

And this was – was the advice you gave after you'd received the \$4,000?
---After, yes, that should be the two times 2,000, yeah, that's after, after,
yes, yes, the first 2,000 and the second 2,000.

20 Commissioner, for the moment they're the only matters that I seek to raise
with Mr Au. I wonder if it's appropriate that he might be stood down to
subsequently give some further evidence after the completion of the other
witnesses if that's a convenient course and my friends might have the
opportunity to pose some questions to him that they wish at that stage.

ASSISTANT COMMISSIONER: Yes. Well, Mr Au, at this stage you're
going to be stood down. You will be recalled to give evidence after some
other witnesses have given evidence?---Yes.

30 And I think any examination will, should be deferred until then. So you
may step down but you're not excused?---Yes.

THE WITNESS STOOD DOWN

[2.35pm]

ASSISTANT COMMISSIONER: Mr Lynch, in view of the fact that the
witness was taken to Mr Brisby's statement I think that should be tendered
at this stage.

40 MR LYNCH: I do tender that.

ASSISTANT COMMISSIONER: Yes, the statement of Mark Brisby will
be Exhibit 1.

#EXHIBIT 1 - STATEMENT OF MARK BRISBY DATED 25 OCTOBER 2010

MR LYNCH: And, Commissioner, it's also proposed to lead some evidence from Ms Liang. It's my application at this stage that there be a lifting of the suppression order that relates to prior evidence given by Ms Liang in order that that transcript of evidence be made available to my learned friends that might require a short adjournment to enable, if it's sought, but I would have thought it's an appropriate time in my submission to make that material available so that my friends can fully digest what Ms Liang's evidence will be and ask any questions in relation to it.

10 ASSISTANT COMMISSIONER: Well, it wouldn't need an adjournment though, would it?

MR LYNCH: Well, perhaps not.

ASSISTANT COMMISSIONER: Have we got it available?

MR LYNCH: Yes.

20 ASSISTANT COMMISSIONER: Well, people can read it. I'm happy to lift the suppression order on the compulsory examination of Ms Liang. I mean obviously what is important is the evidence she gives here today and people are certainly willing, welcome to look at the previous evidence if they wish to. So I remove the suppression order in respect of the compulsory examination.

**THE SUPPRESSION ORDER IN RESPECT OF THE
COMPULSORY EXAMINATION OF SHU LIANG IS LIFTED**

30

MR LYNCH: That appears in the material and a copy will be made available to my learned friends at pages 18 to 43. In those circumstances I now call Ms Liang.

ASSISTANT COMMISSIONER: Yes. Now, I note Ms Liang's accompanied by the interpreter who's previously been sworn. You may both sit.

40 MR McILWAINE: Commissioner, the witness will affirm. I have explained the objection to her and she wishes to avail herself of the opportunity of that. It has been explained to her this morning with the assistance of the interpreter again.

ASSISTANT COMMISSIONER: Ms Liang, I am going to make an order, the effect of which is that nothing you say here can be used against you in future proceedings. And I am informed by your legal representative that this has been explained to you. Is that correct?

MS LIANG: Yes.

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

10

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 THERE IS NO NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.

20

ASSISTANT COMMISSIONER: Could the witness be affirmed, please.

ASSISTANT COMMISSIONER: Thank you. Please be seated.

MR LYNCH: Is your full name Shu Xian Liang?---Yes.

And your address is known to the Commission?---Yes.

10 What's your occupation, Ms Liang?---I run, I run a company myself.

Thank you. You're a director of a company?---Yes.

Thank you. Is that company King 3 Pty Limited?---Yes.

Are you directors of any other companies?---No.

Thank you. Can I show you these two documents, firstly a document that's
20 numbered page 1 to 14?---I didn't bring my glasses.

ASSISTANT COMMISSIONER: She doesn't have her glasses?

THE INTERPRETER: She wants, wants me to read it to her.

ASSISTANT COMMISSIONER: No, it's 14 pages long. Has she got
glasses here?

MR LYNCH: I wonder if Ms Liang could be excused from the witness box
30 for that purpose?

ASSISTANT COMMISSIONER: Yes.

MR LYNCH: Ms Liang, is that a copy of a statement signed by you at page
7 dated 10 February, this year - sorry, 10 February, 2011?---Yes.

And can I take you to paragraph 19 of that statement. In that paragraph at
page 6 you're referring to a payment you gave to Mr Jack Au in which you
said to Mr Au at a Chinese restaurant in Auburn just prior to Chinese New
Year that you wanted to give him a reward to thank him for doing you a
40 favour?---Yes.

Is that what you said to Mr Au in relation to the envelopes that you refer to
later? Did you say to him words to the effect, Because you guys have
worked hard for me and done the overtime I want to give you a reward to
thank you for doing me a favour?---Yes.

And you then say you placed three envelopes on the table and slid them towards Mr Au and said, There are three and I want each of you to have one?---Yes.

And you go on to say “On this same day I handed Jack Au the envelope containing the fifteen hundred dollars as payment for him to arrange for a Construction Certificate.” Was the payment of the fifteen hundred dollars made on the same day as the other payment or at some other time?---I am certain that I paid 1,500 but I’m not certain whether it was the same date.

10

Right. Did you meet Mr Au on another occasion when you paid him money apart from in the restaurant at Auburn?---No. I’m certain that I paid him at the restaurant, but I’m not sure whether it happened on the same date.

Are the contents of the statement otherwise true and correct to the best of your knowledge and belief?---Yeah, apart from, I mean whether it’s the same day.

That’s the only thing that you’re uncertain about. Is that so?---Yes.

20

Thank you. Is there a statement from Mr Brisby on the witness bench before you, Ms Liang? Can you look at this document, please? Could you look at page 84 in the top right hand corner. And is that an email that you sent to Mr Mark Brisby on 12 March, 2010?---I can’t remember, I’m not very certain but should be.

Right. Did you, did you type out this email or did you get someone to type it for you?---Yeah, sometimes I type it myself, sometimes I ask people to type it for me.

30

Right. You have some English speaking ability?---Yeah, yes, but little, limited.

Thank you. And can remember whether you said in an email to Mr Brisby on about 12 March, 2010 - - -?---Yes, yes.

- - - the words that are set out in that email?---You are talking about this email?

40

This email at page 84, yes?---I remember I did write, but the way I wrote I’m not sure.

Right. Well did you say in the email that as I can’t trust someone else, please know, and please know that I fixed the shop 9 and 10 by law?---Yes.

And was your email address the email address that’s set out at the top of that page at the time?---Yes.

Do you have any doubt that you sent this email to Mr Brisby?---Yeah, should be, yeah.

When you say it should be, do you have any doubt that you did send it? ---I can't remember, but I did, I mean, contact her, contact him. In what way I can't remember.

10 Well, when you look at the email it says, "As I can't trust someone." What does that mean, who does that refer to?---Yeah, because when I went to provide additional information at the reception desk on top of file there was an information sheet, there's a form with the information this application is on hold, something like that.

Who was the person you say you can't trust?---I'm not sure, but I think somebody was holding back my file and I should, there's a form that I should not have fill in but I filled in that form.

20 All right. Why did you pay money to Mr Au?---Because he did things for me.

What things did he do for you?---Like I mean translation or something that have to be done according to law, because I know nothing about law so he give me a guide advice.

Advice about, including advice about how to pursue your Development Application to the Council?---Yes, I mean to operate a restaurant, yes.

30 Did he give you advice on how you should build the proposed development?---He took me to the Council.

Did he give you any advice on what you should do in the shop about how the development should be planned or constructed?---He told me to apply for a DA and all that.

When did he first do things, do something for you?---You mean in relation to the restaurant or in relation to a property?

40 In relation to anything?---I mean I asked him about the device on the asbestos, whether people can live in a property with asbestos, something like that.

With asbestos?---Asbestos, yes.

When was that advice sought?---I can't remember, but it was at Lidcombe.

Right. And was the property that - was the property that someone is thinking about occupying, was that property built with asbestos in some way?---Yes.

And were you proposing the buy the property?---No because I knew the owner wanted to sell the property and I just want to know the worth of the property.

So did you ask Mr Au for advice about the value of the property or, or merely whether it was safe to occupy?---Only advice on asbestos.

When was that?---Before the restaurant matter. Not at the same time.

10

Months before or years before, how long before the restaurant matter?
---I can't remember, it was before.

Very well. You say in your statement at paragraph 6 that you employed a number of contractors to work on the development at Harrow Road and you say that they are usually paid by you using cheque or credit card?---Yes.

The money that you paid to Mr Au was in cash was it not?---Yes.

20

Why did you pay it to him in cash rather than by cheque or credit card?---I, I pay - I mean the \$1,500 is for inspection, not for him personally and I - because I didn't know the exact amount I know that, I mean the going rate at other council is \$900 and - if I saw a private inspection it is \$2,600. If I pay the Council I don't need to pay that much but I didn't know how much.

Is that why you paid the fifteen hundred dollars in cash for the Construction Certificate?---Yes.

30

Why did you pay the \$3,000 that you say you paid in cash?---Because I, I thought that they did work after the office hour.

I beg your pardon?

THE INTERPRETER: Because they did work after their normal working hour.

MR LYNCH: But why pay the money in cash rather than by cheque or credit card?---Because I didn't know how much should I pay.

40

Did anyone suggest to you you should pay a particular amount?---No. Yeah. Because somebody show me a form that was holding back my, I mean, approval or something like that and I - - -

THE INTERPRETER: Sorry, I just ask her to repeat.

THE WITNESS: Because the reason why they're holding back the, the file because they do something and I didn't pay so I thought I should pay.

MR LYNCH: Did someone tell you that you should pay or did you work that out for yourself?---I, yeah, I reckon I thought it myself.

All right. And who was intended by you to receive the \$3,000?---One is Mark, Glenn Francis and Jack Au.

Right. Did you understand that Mark, is that Mark Brisby?---Yes.

10 Did you understand that Mark Brisby and Glenn Francis were employees of the Auburn Council?---Because well he took me into the office, I didn't know what sort of position they, they were holding.

Did Mr Au tell you that they were employees of the Council in the Planning Department who would make the decision in relation to your Development Application?---He didn't tell me. He took me into the office. I didn't know, I didn't speak a lot of English, so I didn't quite know what happened.

20 All right. Was anyone interpreting at those meetings for you at the meetings with the Council officers, Mr Brisby and Mr Francis?---No.

You were experiencing delays in having your application determined were you not in February?---I can't remember.

Did you pay the \$3,000 in the hope that that payment would encourage a quick resolution by the Council of your DA?---No.

30 Why, why did you pay the \$1,000 each for Mr Brisby and Mr Francis?
---Because, because I have no knowledge of law and, and they did some, something for me. And because they did things for me I have to pay them.

Were you hoping that they would do more for you?---Because I only want them to advise me to do it the proper way, because I knew there's a dentist person who apply for two years, they haven't got their DA approved. Yeah, haven't got their DA approved.

Did you pay the money because you were concerned that you might be subject to similar delay as your dentist acquaintance?---I just, I mean want them to tell me what is the proper way to go about this.

40 Right. Why did you think it was appropriate to pay them money to tell you what was the proper way to go about it?---Because when I submit my paperwork I saw a form that was holding my application and I was told to fill in this form and my architect told me I shouldn't have filled in this form.

You should not have filled it in?---The form.

But why did you think it was appropriate to pay the Council officers and Mr Au money for your application to be dealt with in the, other than in the, or

in the normal way?---Because if I did something for you, I didn't pay you, I won't, I wouldn't do it for your next time.

Did you have any next time in mind in dealing with Mr Brisby or Mr Francis or Mr Au?---I don't quite understand.

10 All right. What do you say to this suggestion, Ms Liang, that you paid the money for the three Council officers or the two Council officers, Mr Brisby and Mr Francis, and Mr Au to get special treatment by the Council rather than normal treatment that you would get without paying money, extra money?---Because well the leases, the least last only three months and normally our people, they will be given the grant, the approval in one month's time. This one, six, six weeks we're granted. I just want to be granted like a normal people in six months, six weeks' time.

Right. Why did you think that you would not be treated like normal people, that your application would not be treated like normal applications?---Yeah, I did it the proper way but just, I just want to incur extra time on myself.

20 So you thought if you paid extra money beyond what was otherwise payable you would not be subject to any unnecessary delay. Is that your thinking? ---Because, no, because at that time I did not have my architect and I thought I can save up the money on my architect because he knew, he spoke English.

What time did you - when did you engage the architect, was that Mr Addison Wu?---At a time when I, I thought that my application was going nowhere I engaged the services of Mr Wu but I didn't know when.

30 Well, that was at least by early February 2010 was it not?---I can't remember, its probably at this time. After I submit the DA.

After the submission of the DA but at least by 3 February Mr Addison Wu was writing on your behalf in relation to the DA, was he not?---I can't remember but it was at a time when I thought there was no one helping me I just employed a Mr Wu because he would charge me like architects, like overcharging people.

40 You mean that he would be more expensive than using the facilities that were otherwise available to you?---Can you - I can't understand.

You employed Mr Wu - I withdraw that. You did not employ Mr, Mr Wu until late in the piece because you wanted to save money, is that your thinking at the time?---Yes.

In your statement at paragraph 18 you say that the meeting that you held in the restaurant with Mr Au when you paid him the \$3,000, you say you occurred just prior to Chinese New Year 2010. How many days prior to, to

Chinese New Year did that restaurant meeting take place?---I can't remember.

Was it a couple of days or a couple of weeks or are you able to assist?---I can't quite remember, I can't quite remember but I, yeah.

Is it possible it was in January of 2010?---Yeah, I, I did it but I, I couldn't remember when.

10 And are you able to remember if the other payment of fifteen hundred dollars was not paid at the same time, do you remember how far apart the two payments were?---Not a lot later but around that time.

Within days of one another if they were paid separately?---I can't remember but I did pay.

20 Paragraph 19 of your statement you say, "I wanted to meet him because I was not happy with my application being placed on hold by Council but I did not tell him that." What did you tell him was the purpose for having the meeting and inviting him to lunch?---I said nothing had happened and what is the proper way to do, to go about that.

And you go on to say in that paragraph, I told him because you guys have worked hard for me and done the overtime I want to give you a reward to thank you for doing me a favour?---Yeah, that was when I met him.

That's what you said to him?---Yep.

30 And is that what you truly believed at the time as to why you were paying him the \$3,000 or paying them the \$3,000?---Yes.

Did you think there was anything wrong with giving them a reward of \$3,000?---You mean I felt that I was wrong?

Did you think there was anything wrong or improper in paying \$3,000 to the three men for whom you intended it to be paid?---Because I thought they have already done something for me, not I mean, because they intend to do something for me.

40 So you were – in truth were you wanting to reward them for the work they'd already done for you?---Yeah, yeah, not that I pay, I wanting do something for me and I pay them.

But did you not also hope that by the payment you would encourage them to do something more for you?---No. I only hope that my file won't be held back.

Well did you think that Mr Brisby or Mr Francis or Mr Au was the person responsible for holding the file back as you believe?---I'm not sure but I was certain that someone was holding back my file.

10 And isn't the true position that you hoped by paying these three men some money that your file would be taken off hold and dealt with more promptly?---No, because, because they have already done something for me so I pay them because the money I pay should be for something they do in a proper manner, according to proper channel. It was not the other way around. If I want them to, to do something for me and I pay them, I would pay more, but I didn't do this way.

What did you understand that Mr Brisby and Mr Francis had already done for you when you paid the – prior to paying the \$3,000?---They done it prior, before that because I want an extra toilet, because they said according to law you need to have an additional toilet.

20 And so all Mr, is this, is this what you say that the advice Mr Brisby and or Francis gave you about you needing an additional toilet was the reason why you paid them \$1,000 each?---No, because at the time already beyond the 4 o'clock, it's after the office hour. I pay him money for overtime work.

Did you not appreciate that the Council paid those officers for their work and it was not appropriate for applicants for development to pay additional moneys, did you not realise that?---But they were not working on Council hours.

30 How did you know that?---Because while waiting for Jack I heard that Jack was not available until after 5.00, 5.00pm.

And what led you to think that Mr Brisby and Mr Francis did not work after 5.00pm from time to time?---Because when I checked the time it was after 5.00. For other things I did not know.

40 The payment of the construction certificate payment of \$1,500, you said you paid to Mr Au to arrange the construction certificate, "As I thought it would be quicker to arrange privately than to wait for Council to do the same thing." Do you see that, the last sentence in paragraph 19?---The way quicker, I mean not, not meaning to expedite but meaning not to be held back.

So it's just dealt with in the normal way?---Yes.

When at the lunch meeting at the restaurant when you paid the money, when during the lunch did you hand over the envelopes that you have identified? ---It was not lunch but I can't remember the time, but it was, yes, on the table at a restaurant.

And did you pass the envelopes to Mr Au at the beginning or towards the middle or towards the end of the meal?---The middle.

You say in paragraph 20 that “The meeting lasts for about an hour and I left. For the rest of the time both Jack Au and I talked about building materials that were allowed to be used in the development.” The talk about building materials that you refer to in paragraph 20, did that take place after you handed over the envelopes?---I can’t remember.

10 Apart from the Development Application and the assistance Mr Au gave you in relation to it, did you ask him to do any additional work for you of any kind?---Are you talking about before or after?

Leaving aside the asbestos advice that you sought about the shop at Lidcombe, did you ask him to provide you with any advice or assistance in relation to anything to do with the Harrow Road premises other than the Development Application?---I’m not sure because once when I knew that the file being held back I passed this matter to my architect so I didn’t know what happened next.

20

In late 2009 did you ever visit the site at Harrow Road to have a meeting or meetings with Mr Au?---I, yes, I saw him but how, when, I cannot remember.

Why did he go, did you ask him to go to meet you at the site?---I don’t know what time you are talking about so I don’t- -

In September or October or November 2009, did you ask, did you ask Mr Au to give you some advice about how to build the renovation to the shops?
30 ---I asked him about I mean the noise insulation but it’s only once, one time.

Right. Did, did you ask him to attend the site on 10 or more occasions for advice?---No.

Do you know whether he attended the site on more than one occasion?
---I can’t quite remember.

Did you engage him as a contractor to help you or to advise you about how you should build the sushi bar and the karaoke bar?---No.
40

Was any part of the \$3,000 that you paid you said for Mr Au and Mr Francis and Mr Rigby to compensate Mr Au for anything he’d done for you in relation to building work as opposed to advising you about the DA?---Well initially I ask him to give me advice but not referring to any specifics of advice.

Right. Well when you say you said to him at the lunch – at the restaurant meeting, I want to give you a reward to thank you for doing me a favour

what was the favour that you were rewarding him for?---He, I mean, yeah, told me, yeah told me I mean to the Council and about the toilet, so save me the trouble of constructing the, renovating the toilet and to pull it down again.

Sorry? You said two things, taking you to council, by that did you mean to have the meetings with Mr Brisby and Mr Francis?---Yes.

Is that what you meant by taking you to council?---Yes.

10

And you said he assisted you with the toilet. What assistance did he give you in relation to the toilet?---Well there was something done well previously, yeah, and I mean, I was (not transcribable) advised to amend the DA and I did amendment.

Was that advice from Mr Au to amend the DA relating to a toilet or the location of a toilet?---Oh it was, I mean they have done at the beginning they complete the things, the three of them then I pay them.

20

All right. I'm just trying to clarify whether Mr Au gave you any advice in relation to the location of the toilet?---I can't remember. Should be one of the requirements in the DA.

It was in conjunction with what the DA sought the information or the advice that you received from Mr Au was it?---Yes.

Did Mr Au ever demand money from you?---Because I thought he was helping me and he wanted money.

30

Did he ask you or demand from you that you give him money?---By invitation.

So did he say anything to you directly rather than by implication that he wanted or insisted that you give him money?---No.

What gave rise to the implication to that affect?---He said I did something for you, you have to give me some favour.

When did he say that?---Can't remember but he did say that.

40

Did he every say anything to you that he would ensure the DA would be approved but that you must always go through him?---He didn't say that but he said he can help me.

Did he suggest that money should be paid to Mr Brisby or Mr Francis or was that your idea alone?---Because three of them, I mean, did something for me and after the done it for me, I thought I should pay three of them.

Right. Did Mr Au ever suggest to you that you should pay money to Mr Brisby or Mr Francis or was that something that you thought up independently yourself?---He didn't say that, he didn't say that.

Thank you. Now, can I ask you to go to page 8 of the statement, your own first statement, please. The bottom half of page 8 is an email sent by you to Mr Brisby, is it not?---Yes.

Did you send that email to Mr Brisby on 3 March?---Yes.

10

Did you type it?---I asked my daughter to type it for me and- - -

How old is your, how old is your daughter?---15, 15 years old.

Now or in 2010?---Yes, 2010.

She was 15 then?---Yeah, I mean I ask her to type and also to check for me the typo.

20

Right. Does she speak both fluent Cantonese and fluent English?---No, I only ask her to check on the spelling.

Did you, did you type out the words in English yourself?---I type it out and ask her to check for me whether the language makes sense.

Right. And she corrected any grammar or spelling errors that you had written, did she, before it was sent?---Only mean to correct the spelling but she didn't know the content of the letter.

30

I see. In the email you say, "As I know you've been helping me a lot, such as the first time you did an overtime for me, around the time of New Year's I paid \$4,500 to Jack for three of you, \$1,000 each for that day afternoon overtime and the \$1,500 for the construction certificate fee, so please know I did all the jobs required of me by the Council as well as any reports, so I'd like to know how long I have to wait as I know somebody is holding the file. I've been waiting from before Christmas to now." The substance of that message suggests that in return for the payment you were expecting some special treatment from Mr Brisby. Do you agree that suggestion is conveyed by the words?---I only hoped that they would do it according to a proper process, not holding back my file.

40

Well, what did the payment of the \$3,000 have to do with the holding back the file?---Because they've already done something for me so that I think I should pay them back. I pay them before the holding of the file not, not after. Sorry, sorry. Before I pay this money the file has already been held and, and then, and it does something for me and I thought why the file is, was still being held back is because I haven't paid the money for the overtime.

Just let me put this to you very plainly. The email suggests, I suggest to you, that you paid the money in the hope that the file you believed to be on hold would be released from hold. Do you agree with that or not?---No, it's because they've done something for me. I didn't pay so it led to the holding of the file.

10 I don't understand that answer I'm sorry. What I suggested to you was that the money was paid with the expectation that the file would be released from hold?---Yeah. Well, actually I thought that even though I paid the money the file might still be held and - but because they've done something for me so I pay them for what they have done for me.

Can you look at pages 15 to 17. Is that a second statement you made to officers of the Independent Commission Against Corruption?---Yes.

20 You say in paragraph 5 that you made a verbal agreement with Jack Au in relation to my renovations. When was that verbal agreement made?---She just asked me to explain your word renovations, I, I am explain to her.

Restorations or - - -?---Renovation.

Renovations means adjustments or modifications to the premises?---Yeah, that's in relation to the DA.

Right. Is that what you meant by renovations?---Yes.

30 And when you say I asked Jack to help me get my renovations through council as I did not understand English or what was required by the Auburn Council, are you speaking only about getting the DA approved or are you speaking about providing additional advice about how the renovation work might be undertaken?---Yeah, only about the DA. And also the noise insulation.

Right. The noise insulation was advice received from Mr Au independent of the DA or - - -?---It's one of the DA requirements.

40 Because you were proposing to renovate to establish a karaoke bar that would make some noise I take it?---Yeah, I didn't know whether it would affect other people so I just want to do it according to law.

Right. Did you ask Jack Au to provide you some advice about how the noise issue would apply to the DA?---No. He introduced an expert to me.

I see. Who was that expert?---No, I can't remember but I (not transcribable) his background, oh, but I have the receipt from him.

Right. Did he provide a report which was lodged with Council in relation to the noise insulation issue?---I can't remember. He should have, yeah.

Right. Did you reach any agreement to pay money to Jack Au for introducing you to the insulation expert?---No, I directly contact the expert.

Right. Did you reach any agreement at all with Jack Au to pay him money in return for him providing you advice about how the renovations would be undertaken?---No.

10

And when you organised contractors and engaged contractors to do work on the site for you did you pay them in cash or in cheque or credit card?---Most of the time in cheques. Well basically they all in cheques.

All right. You say in paragraph 6 of this statement about five lines down, at the time of giving Jack the money, that's the \$3,000 plus the fifteen hundred dollars I take it?---Ah hmm.

20 I asked him to pay anyone who'd done work for me and let him decide how much each would get paid, because I did not know how much work each council officer had done for me. This included Jack, as they had worked overtime on my DA. Is that true?---Yes. It's in relation to the 4,500, yes.

Right. Did you say to Jack something to the effect of, it's for you, Jack to decide how much money you give to each of the two Council officers?
---Yes, because I didn't know who had worked for me, who hasn't worked, who hasn't done things for me.

30 Why pay, why pass over three envelopes with \$1,000 in each if you left it for Jack Au to decide who should get what?---I didn't know I mean which is the legal way. Because I fear they might lose their jobs because of this, I don't, because I didn't know which is the legal limit.

Why did you think they might lose their jobs?---Because I didn't know how much is within the legal limit.

40 Is the true position that you did know that there was no legal limit and that you should not have been paying any money to any of the three gentlemen?
---No, because they, they study the DA after their work hours, not within their work hours.

Well, did you think there was a legal limit as to the amount of money that you might properly pay Council officers or Councillors?---Because I didn't know so I hand it to him and let him organise.

Did you ask him if there was a legal limit?---I did I mean mention that I did not want that this payment will lead to people losing their jobs.

You said that to Mr Au, did you?---Yes.

When did you say that to- - -?---I didn't remember the exact time, but it was about the time that I paid the money.

Are you sure that the \$3,000 was paid in three envelopes or was it in one envelope?---I remember in three envelopes.

10 There might be? Are you sure that there were three envelopes paid by you at the restaurant meal to Mr Au?---Should be, yeah, I remember.

When you say should be, do you mean yes you are sure or no you're not sure?---I remember, yes.

Excuse me a moment. I tender those two statements, Commissioner.

20 ASSISTANT COMMISSIONER: Ms Liang's statement of 10 February, 2011 will be Exhibit 2. Her statement of 27 September, 2011 will be Exhibit 3.

#EXHIBIT 2 - STATEMENT OF SHU XIAN LIANG DATED 10 FEBRUARY 2011

#EXHIBIT 3 - STATEMENT OF SHU XIAN LIANG DATED 27 FEBRUARY 2011

30 MR LYNCH: Excuse me a moment. If it's convenient I'll tender the balance of the bundle in the folder which is before you I understand. The only parts that are for the present to be excluded from that are pages 330 to 372 and 379 to 440.

ASSISTANT COMMISSIONER: What was the second?

MR LYNCH: 379 to 440.

40 ASSISTANT COMMISSIONER: Yes, well the contents of the folder marked 1 will be Exhibit 5 with the exception of pages 330 to 372 and pages 379 to 440, I'm sorry, Exhibit 4.

#EXHIBIT 4 - CONTENTS OF FOLDER MARKED 1 WITH EXCEPTION OF PAGES 330-372 AND 379-440

MR LYNCH: Just one more thing, Ms Liang, whereabouts in China did you come from originally, the Guangdong Province?---Yes.

Guangdong?---Yes.

Thank you. I have nothing further.

ASSISTANT COMMISSIONER: Ms Liang, can I just ask you to confirm when you first met Mr Au you were told at that time that he was a
10 councillor, were you not?---I was not sure at that time, yeah.

You say in your statement a friend called George told you that he was on the Council?---But I'm not sure it was the first time we met.

Did you know he was a councillor when he did the asbestos Lidcombe work for you?---Yes.

Thank you. Yes. Well, can I just ask who will be applying for leave to
20 examine this witness?

MR YOUNG: I certainly will be but I'm not sure what, what order, whether my friend wants to return to - - -

MR LYNCH: (not transcribable)

MR YOUNG: Right. Well, would it be convenient to do that now?

ASSISTANT COMMISSIONER: No, we'll be adjourning now but I just
30 want to get a time estimate. How long do you think you'll be with the witness?

MR YOUNG: Well, I haven't, I haven't up till now seen the statements. I would think that I'd probably be half an hour to 45 minutes.

ASSISTANT COMMISSIONER: All right. Will anybody else be applying to cross-examine or re-examine this witness?

MR HOUGHTON: I don't know, Commissioner, I haven't seen the
40 statements either but if it does arise we will be very short.

ASSISTANT COMMISSIONER: Yes. All right. Well, we will resume with Ms Liang at 10 o'clock tomorrow morning.

MR LYNCH: Commissioner, Mr Lam is here in response to a summons I think, I wonder if you might remind him he needs to return tomorrow to attend to give evidence.

ASSISTANT COMMISSIONER: Yes. Who's that, Mr Lam?

MR LYNCH: Mr Lam.

ASSISTANT COMMISSIONER: Yes. Mr Lam, you'll have to come back tomorrow too. Thank you.

MR LYNCH: Thank you.

10 **AT 3.59PM THE MATTER WAS ADJOURNED ACCORDINGLY**
[3.59PM]