

DASHAPUB00495
23/04/2018

DASHA
pp 00495-00543

PUBLIC
HEARING

COPYRIGHT

INDEPENDENT COMMISSION AGAINST CORRUPTION

PATRICIA McDONALD SC
COMMISSIONER

PUBLIC HEARING

OPERATION DASHA

Reference: Operation E15/0078

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON MONDAY 23 APRIL, 2018

AT 2.00PM

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

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

THE COMMISSIONER: We're ready to proceed, Mr Buchanan.

MR BUCHANAN: Thank you. Yes, Commissioner.

THE COMMISSIONER: Mr Khouri.

MR BUCHANAN: Mr Khouri, have you got in front of you Exhibit 60? Will you turn to the last page, please, page 7? And I'm going to ask you about the entries in this table on the bottom five rows of data. If you see on 20 November 2014 looking at the middle column under the heading Start Date at 17.38, 5.38pm, you are recorded as having made a call to Mr Stavis that lasted some 30 seconds. Do you see that?---Yes, I do.

10

Now, just to assist, do you see that at 6.16pm, Mr Stavis called you, the call lasting some 19 seconds, and then at 6.29 you called him, the call lasting some 17 seconds? Do you see those entries?---Yes.

What were those telephone calls about?---I'm not sure, sir.

When you say you're not sure, do you mean you think you know, or do you mean you don't know?---I don't know.

20

And if I can ask you now why would you have called Mr Stavis on 20 November 2014 and had that exchange of calls with him?---I can't recall.

And you're not able to assist as to taking into account the period of time in the second half of November 2014 as to what it would have been that you were talking to him about?---I would love to assist but I honestly and sincerely can't recall.

It follows a call that you made to Mr Montague. Sorry, those three calls follow a call that you made to Mr Montague the same day at 4.44pm?

30

---That's before - - -

That lasted two minutes and 14 seconds. Do you see that?---Yeah.

Does that assist you?---That's - - -

You called Mr Stavis after having called Mr Montague and spoken with him for over two minutes?---Mmm. Sorry sir, I just can't.

40

Is it possible that you spoke to Mr Montague to find out what was happening with the appointment of the director of city planning?---Possibly.

And that you conveyed the information he gave you to Mr Stavis? ---Possibly.

And given your relationship with Mr Stavis it would be not unsurprising that you would convey to him whatever Mr Montague told you about filling that position?---Possible.

You can't recall the gist of what Mr Montague told you?---(No Audible Reply)

Can I take you to your record of interview conducted on 15 February 2017 commencing at page 34? So have you got page 34 open?---I do.

10 Looking at line 13, the investigator asked you, "And it was very shortly thereafter he was awarded the position around 5", it says, of 8 December, but it should probably read or 8 December, "and then shortly thereafter that position was withdrawn" and then as you say, "all hell broke loose"?---Yes.

You say, "Yeah, yeah." Mr Berry said, "At about that time in December did you have conversations with anyone or just, just prior to him being formally, formally awarded the position did you have conversations or communications with anyone about Spiro Stavis to your recollection?" You said, "I honestly don't remember, Simon, to be quite honest." Simon being the name of the investigator. Correct?---Yes, sir, correct.

20 A little bit further down the page, line 29, Mr Berry said, "Did you, did you have a conversation with Spiro Stavis in early December 2014 and did you inform him that the position was his to have?" You said, "No." It's recorded as "defiantly not," but it probably should read, "Definitely not." Do you agree with that change to the transcript?---What change, sorry, defiantly?

You said, "Definitely not"?---(No Audible Reply)

30 Do you agree with that?---I'm just trying to read it, Mr Buchanan, just give me a second.---Can't recall, Mr Buchanan.

Well, it certainly is not consistent with what you've told the Commission here today, is it?---I, I'm not sure if it's consistent or not but I'm just not sure that's the case here.

When you're say you're not sure that it is the case, what are you talking about?---My, my answer to it.

40 You might have said defiantly, might you?---No, the word defiantly has no meaning.

Exactly. It should be definitely, shouldn't it?---Definitely, yes.

Yes. You said, "No, definitely not," you didn't inform him that the position was his to have. That was what you told the investigator, wasn't it?---(No Audible Reply)

Wasn't it, sir?---I ah, I'm not sure, sir, I would probably misunderstood the question.

Because it is inconsistent with what you've told the Commission today, isn't it?---Not only this, I mean - - -

Next page, page 35.---Yes.

About line 8.---Yes.

10 Mr Berry asked, "Do you remember ringing Spiro Stavis at that point and speaking to him at all?" You said, "No." That wasn't correct either, was it? ---No, no, it wasn't correct, no.

Why did you tell Mr Berry that?---Because that's as far as I recalled, that part, that time, but now after all the information come available, now I start to remember things. I mean there were, there were other mistakes in the statement anyhow, it's not, that's not the only two things really. I mean when I went through it again I realised some of the answers are not, you know, what I thought that was, that was my memory then and there to be quite honest to you.

20

Still on page 35, at line 19, I've already taken you to this passage. "How, how did you know that he got the job?" You said, "Oh, everyone knew he, he had the job, everyone knew." Mr Berry said, "Well, I'm asking you how did you know." You said, "Someone must have told me, Jim could have told me, I don't know." But now you recall an actual conversation with Mr Montague - - -?---Well - - -

30 - - - which you didn't recall in February 2017. Is that right?---That's right, but that, that doesn't contradict. I said probably Jim did tell me and that what exactly I said today. I said Jim has told me.

You told us today about a memory of a meeting in a pizza restaurant with Mr Montague - - -?---Montague, yes.

- - - in which he - - -?---Yes.

- - - gave you that information, haven't you?---Yes.

40 MR STANTON: No, that's - I rise to object, please, Commissioner.

THE COMMISSIONER: Ah hmm.

MR STANTON: That is not the conversation. Montague and he had a meeting in a pizza place, for want of a better word, in Majors Bay Road, Concord, but that was not what was discussed there. I take issue with my learned friend unduly but I do think the record will hold out on that being that's not the case.

MR BUCHANAN: Is it the case that Mr Montague told you that he was going to appoint Mr Stavis as director of city planning?---Where? When?

Is it the case, Mr Khouri, that Mr Montague told you that he was going to appoint Mr Stavis as director of city planning?---Yes, yes.

Where were you when he told you that?--- I said from my recollection, it could be either on the phone or in that pizza place in Concord. I said that before. It can be one or the other.

10

Going over there to page, I'm sorry, if I could take you now to volume 3, page 253 of the documents in Exhibit 52. This is an extract from Mr Hawatt's mobile phone and it's of text messages exchanged with Mr Stavis of 4 December, 2014. Do you see that?---Yes.

I'm simply asking to you confirm that you can see that there's an exchange of text messages between Mr Hawatt and Mr Stavis on 4 December, 2014. Do you agree with that?---I agree.

20

Now, can I take you to the message that initiated it – on this table, anyway – from Mr Stavis, "Hi, Mike. Just so you know, he rang me before your meeting and pretty much said, I had Bechara confirmed." Shortly thereafter, "Call if you want." You can see that?---I can.

You were asked about that message by Mr Berry in your record of interview in February, 2017, weren't you?---Yes. I did.

So you've seen it before?---Yes.

30

Now, can you tell us, please, does it come to you as a surprise to see that message from Mr Stavis to Councillor Hawatt on 4 December, 2014?---No.

No. So, it doesn't come to you as a surprise that he – he obviously being Jim Montague, do you agree?---Yes.

Would ring Mr Stavis and pretty much say that Mr Stavis had the job and that you confirmed it shortly thereafter?---Yes.

40

That doesn't come to you as any surprise?---No.

What would be the point of Mr Montague asking you to tell Mr Stavis that he had the job and then ringing Mr Stavis, or beforehand having rung Mr Stavis and told him that he pretty much had the job?---I don't, I don't, I don't know. I just did what Jim has asked me to do.

You see, it doesn't make sense does it?---Why?

Can I suggest to you that what it suggests is that Mr Montague did not ask you to tell Mr Stavis but that you had learned from a conversation with Mr Montague that he was considering appointing Mr Stavis, or was proposing to appoint Mr Stavis. He, subsequent to that conversation with you, told Mr Stavis – getting in before you did – by you, thirdly, ringing Mr Stavis and saying, "Montague's told me you're going to get the job." That makes sense, doesn't it?---I don't think that was the case, really.

10 Why doesn't that make sense?---Because my best recollection that Jim has asked me to call him.

Is it possible Jim never asked you to call him?---Possible, yes. Everything's possible. But my recollection is that Jim has asked me.

Just by the way, can I just ask you another question about that text? Volume 3, page 253. The text at 10.22pm. If Mr, I'll withdraw that. In that text, it appears that Mr Stavis assumed that Councillor Hawatt would know who Bechara was, doesn't it?---It does, of course.

20 And it appears that Mr Stavis assumed that Councillor Hawatt would know that you were involved in working to get him the job, doesn't it?---No, it doesn't.

Why would Mr Stavis assume that Councillor Hawatt would know who you were?---I'm not sure.

30 Had you indicated – I withdraw that. Had you been present before 4 December 2014 with both Mr Stavis and Councillor Hawatt in the same space?---Possibly, can't recall. But I am sure Mr Stavis knows that Mr Hawatt knows who am I, I mean, it's - - -

What gives you that certainty?---Anyone could've told them, it's not a - - -

I'm sorry?---Anyone could've told him, I mean, I don't know. It's not a secret.

It, I want to make it very clear to you - - - ?---Yes.

40 - - - looks like Mr Stavis believed that you were, in conjunction with Mr Hawatt, Councillor Hawatt, trying to get him the job as director of city planning?---Absolutely not.

That's the assumption on which that the language he uses is based?---That's an assumption, absolutely. Now - - -

Did you work with Councillor Hawatt and others to get Mr Stavis appointed as director of city planning?---No.

Why did you bother with all of those texts and calls with Mr Stavis after Mr Vasil spoke to you for five minutes or so about Mr Stavis on 25 October 2014 and through to all of those texts that you exchanged with Mr Stavis on the day of his interview?

10 MR NEIL: Well I object, Commissioner. I object to the assumption that the discussion included, that is between Mr Bechara and Mr Vasil, included references to Mr Stavis. It's what my learned friend is putting to the witness, but this question has assumed it and I don't want it thought that it is to be assumed, I submit it should be put as an assumption, not as an assertion of fact.

MR BUCHANAN: Your Honour, I'll move on. Can you go to volume 3 page 255, please? That's about two pages over. Again, I appreciate that this is someone else's communications that I'm asking you questions about but here we have an exchange between Mr Stavis and Councillor Hawatt of texts on 5 December, the next day. Do you see that?---Yes.

20 And initially at 10.01 in the morning, Mr Stavis says, "He just offered me the job", that's obviously Jim Montague. Correct?---Yes. Correct.

"Waiting for the paperwork to come through before I announce, thanks for everything. Cheers." Do you see that?---Mmm hmm.

So it would appear that Mr Stavis believed that thanks to Councillor Hawatt were in order at that point. You'd accept that, that's a reasonable construction, isn't it?---Yes, yes, very reasonable.

30 And then Councillor Hawatt responds three minutes later, "Finally we achieved results, congratulations on your appointment, you have much work to do to fix the serious problems facing planning. Regards." Do you see that?---Yes, I do.

Now I appreciate that it's the language used by Councillor Hawatt, but when he said, "Finally we achieved results", to whom did you understand him – I withdraw that – to whom do you understand him to be referring by having used the word, "We"?---The council, of course.

40 The council?---Council, yeah, council members, yes.

Which council members?---Canterbury Council members.

Which Canterbury Council members?---All of them.

Why do you say all of them?---Or most of them or all of them, I haven't counted, but I assumed that's what he meant. That's answering your question.

Isn't it an indication that as far as Councillor Hawatt was concerned, he believed that he was involved in an effort to achieve a result?

10 MR STANTON: Your Honour, this question can't be asked, not even with the latitude that this tribunal has, and no disrespect to this tribunal in terms of what its thresholds are in terms of its investigative processes. This is a document that he's seen for the first time. It's not his document. He's being asked to interpret the mind of an author of which he has no rhyme or reason as to how it's come about. Now, of what forensic utility is it ultimately when you are being asked to determine whether there's been influence or something sinister or dare I say pernicious involved in terms of the procurement of this appointment? It's a threshold that you have to have something a little more of substance in terms of being able to arrive at that. Now, cross-examining him about this and about the extrapolation of what may have been in Councillor Hawatt's mind really doesn't achieve any real useful purpose other than to highlight either his shortcomings, or more importantly, Commissioner, that his answers, however they may be, as best he can to answer, derive no ultimate utility for this tribunal other than to embarrass him.

20

THE COMMISSIONER: Mr Buchanan?

MR BUCHANAN: The witness has not said he doesn't know what it's all about. That's the position Mr Stanton has taken from the bar table. The witness hasn't said that.

THE COMMISSIONER: Look, there's sufficient communications between the witness and Mr Hawatt for me to allow the question. Would you answer it, Mr Khouri.

30

THE WITNESS: What was the question again, sorry, Mr Buchanan?

MR BUCHANAN: What do you understand Councillor Hawatt to have meant when he said, "Finally we achieved results," particularly emphasising the first person plural, "We."---Well, if I continue reading the sentence it says, "You have much work to fix serious problem facing planning," and on that basis I understand that is a council, council concern and that's why I'm trying to help you, sir, and connect the word "we" to the council. It's a logical follow-up here, isn't it?

40

"We" can't be read having regard to your involvement in the exercise of getting Mr Stavis appointed as being a reference to you and Councillor Hawatt in particular?---Absolutely not.

If not also Councillor Azzi?---I am very sure that I have not tried to influence or push anyone to appoint Spiro Stavis.

You yourself heard that Mr Stavis had been appointed at some stage I take it. Is that right?---Right.

Where or when did you hear of that?---I thought Mr Montague would have told me. Did I - - -

I'm sorry?---Did I say that before, sorry, didn't I say that Mr Montague told me that he was appointed? I did.

10 And then you heard that Mr Montague had changed his mind. Is that right?
---Yes.

Did you speak to Mr Montague about why he had changed his mind?---I've asked him the question and he told me he had concerns about Spiro Stavis.

About Spiro Stavis?---He had concerns, yes, sir.

20 Right. In your interview in February 2015 with Commission investigators, page 35, you said that at some stage, "Jim said he had some internal cross-references, he wasn't happy, he made a mistake."---That's what I mean by concern.

And by internal cross-references, did you mean character references or job references?---I, I assume so.

And that is the gist of what Jim Montague told you at some stage?---Yes, sir.

30 Did he tell you why he had offered Spiro Stavis the job in the first place?
---No, he didn't.

Did he tell you that he had been pressured to give the job to Mr Stavis?
---He never said that.

Do you believe that that might have been the case?---I do. No one can pressure Jim Montague, sir, I mean - - -

40 THE COMMISSIONER: Sorry, nobody can?---Nobody can pressure Mr Montague. I know him very well. I mean he's a very experienced general manager.

MR BUCHANAN: Did you have discussions with anyone after you heard that Jim Montague had changed his mind about employing Mr Stavis?
---Can't recall.

On that subject?---Can't recall. On, on the subject of - - -

Of Mr Montague withdrawing the offer of employment to Mr Stavis?---I can't recall if I discussed it with anyone.

Did you contact Mr Stavis when you found out that Mr Montague had withdrawn his offer of employment?---I suspect he contacted me.

And what was said?---He told me that he, that's what happened and I, from memory, again, from what I recall, suggested that he should call Jim and find out what, what has happened, why this is the case.

10

Was there anything else that passed between you and Mr Stavis as to what might be done about the fact that Mr Montague had withdrawn the offer of employment?---He was very distressed, if I recall right. And he probably asked questions whether, what do I do, and my answer, again from my recollection, is that he should call Mr Montague, that is not a matter I can discuss with anyone and I'm not privileged to discuss it.

Weren't you sympathetic with Mr Stavis?---I am very sympathetic with Mr Stavis.

20

No, no, no, weren't you then sympathetic to Mr Stavis?---Yes, I felt sorry for him. Yes, of course.

Was there anything that you said or did to try to assist him in that situation apart from the conversation you say where you told him to contact Mr Montague?---No, I couldn't do anything to assist him at that stage.

30

No, no, I asked was there anything you did? You've told us that there was nothing you could do, but was there anything that you did?---I can't recall. I, I doubt very much.

Now, did you come to the, did you gain the impression at some stage in late December 2014 that Mr Montague was under pressure to honour the offer of employment to Mr Stavis?---Yes, I did.

What was it that you learned?---I've learned that - - -

40

No, what did you learn at the time, not what you've learnt since. What did you learn at the time, sir?---I've learned that there was a big confrontation between council and Mr Montague in relation to that matter.

Who did you hear that from, or where did you read that?---I didn't read it, I heard it when two councillors took a letter to court for an extraordinary meeting, from my memory, to discuss the matter with Mr Montague.

But not earlier than that?---No.

If you take it from me that that occurred on 24 December, you didn't hear anything before that about a tension that had arisen between Councillors Hawatt and Azzi on the one hand and Mr Montague on the other about Mr Montague not honouring the offer of employment to Mr Stavis?---I could have, I could have.

And what could you have learned?---I could have that there's a confrontation and a lot of tension as a result of that decision.

10 Does that mean you did learn of that?---Possibly.

Are you aware of any campaign that was conducted to pressure Mr Montague into resigning or leaving his position of general manager earlier than the end of his contract?---Look, there were a lot of things which was taking place as a result of that tension.

That's not the question I'm asking you?---What are you asking?

20 I'm asking you a specific question?---Yes.

Are you aware of any campaign to pressure Mr Montague into resigning or leaving his job early?---I did become aware at a later stage.

How did you become aware?---Mr Montague told me.

What were the circumstances in which he told you?---I see Jim on a regular basis, and he does tell me this because he knows I would support him, and I did, I wasn't very happy with such a move.

30 What did you do about that?---Well, I, I went and had a meeting with the two councillors mentioned.

40 Azzi and Hawatt?---At Pierre Azzi's house, and I wasn't very diplomatic at this stage and I made up my position very clear that this is a big mistake, I don't think the matter should have, should have reached that level. Their reply is that Montague was being caught between them and Brian Robson, the mayor. I said well that still doesn't justify that you're going to go and sack the guy, just, I'm not going to allow it and I'm going to support Jim as much as I can. And as I said previously in one of the things that I was nearly asked to leave, I mean, this is how far Mr Hawatt - - -

You told us that earlier.---I did. I remember I did. Yes, sir.

Before that conversation at Councillor Azzi's house, had you been aware of any role that Councillor Robson was playing in the appointment or non-appointment of Mr Stavis?---Well, I was, from memory again, I was told that, that the councillors went to see Brian at his place.

That's Christmas Eve, 2014?---I can't remember the date, I'm sorry.

Well, sorry, just assume it from me, if you wouldn't mind.---Yeah, yeah, yeah, yeah. Because I got to learn this at a later stage, you know, the communication. And ask him to, to, to call for an extraordinary meeting and provided him with a letter requesting that. I understand Mr Robson wasn't very receptive and he actually kicked him out and was very, very agitated and was very unhappy and, as I said, hell broke loose as a result of that previously.

10

But apart from the fact that Councillor Robson was unhappy about being presented with a call for an extraordinary meeting to consider the question of Mr Montague's continued employment and the employment of Mr Stavis, amongst other things, was there anything that you heard to indicate that Councillor Robson was otherwise involved in the decision making to not honour the offer of employment that Mr Montague had made to Mr Stavis? ---I'm not sure, sir. I can't (not transcribable)

20

Well, it's just that you told us that they – Azzi and Hawatt – had told you that Montague had been caught in between them and Robson.---I remember that very well. They mentioned this several times, that they're not after Montague as such. They believe the problem is being created by Mr Robson.

30

And what did you understand to be the basis for that concern on the part of Councillors Azzi and Hawatt?---I think they had an impression that they have been treated in contempt. This was the powder keg which only needed a light to explode. I think if you want to really have the real story, it does spread before that. From my understanding, there were a lot of incidents where there, where there were a lot of confrontation on the council ground, over anything and everything, by the way.

Not connected with Mr Stavis' appointment?---Not connected with Stavis at all. And - - -

Long-term enmity or hostility?---Continuous, continuous. And I, can I add something, Commissioner?

40

Yes.---I remember in early '13, and I have to tell you everything I know.

Sorry, thank you. That's all I need to know. It's before 2014?---Yeah.

That'll do.---That's fine.

Did you ring Mr Stavis during this period or late December, early January, 2015 and speak to him about the position of director of city planning?---No. I don't recall, sir.

So, so far as you were concerned, at the stage of, say, this conversation with Councillors Azzi and Hawatt at Councillor Azzi's house that you've told us about, they, it appeared to you, were pushing for the appointment of Mr Stavis?---Yes.

They weren't pushing for the appointment of Mr Manoski?---No.

Or anyone else?---No.

10 Now, did Mr Montague confide in you about how he felt during this period?---Mr Montague was under a lot of stress and pressure.

Is that what he told you?---Well, I could see it on his face. He was under enormous amount of pressure and I never seen Jim like this in my life. I really was really concerned about his wellbeing. And I - - -

Are we talking early January, 2015?---Yes.

20 Thank you. Did you go to any council meetings in January 2015?---I have never attended a council meeting.

The answer is no?---No. Sorry.

Thank you?---No problem.

Can I take you to a different subject now, Mr Khouri?---Yes.

30 Have you had Canterbury City councillors over to your residence?---I have on one occasion, yes I did.

Any other occasion?---Basically one occasion.

When you say "basically one"?---From my memory, one.

40 Well, you know of one that the Commission knows about, don't you? What I'm asking you about is how many times have Canterbury City councillors been to your place?---Pierre could have dropped by but extremely rare, extremely occasional. Mr Hawatt absolutely, I don't think Mr Hawatt has ever been, apart from that occasion you're talking about, has ever been there. Mind you I've only been in the place then for one year or less than a year, I'm sorry.

But you must have lived somewhere before that?---I lived in a unit, yes.

Yes, that's all right. It's a residence?---Yeah, yeah, yeah.

Did you have Canterbury Council councillors over there?---Not in the unit, no.

Can you tell us briefly about this meeting please that did take place in your house or in your residence?---Yes, I can. That was during the amalgamation time just before - - -

The amalgamation time, yes?---Yes.

And we know amalgamation occurred in May 2016?---Yes.

10 Is this before May 2016?---Yes, of course.

March 2016, could it have been?---Maybe before. Maybe before. I'm not sure.

Yes?---Maybe before.

What happened?---Well I was asked to host that meeting as a - - -

20 Who asked you to host that meeting?---I can't recall, I can't recall, maybe both parties did.

When you say both parties?---The Bankstown side and the Canterbury side.

Tell us a bit more?---I'm honestly not, I can't recall where the requests come from specifically, but it could be come from both parties. They considered me as a, a neutral place for that particular subject of course, and I was happy to, because I had an outside big table where I could, I could have them there and I said no problem.

30 Who attended?---From the Canterbury side there was Mr Montague, Mr Azzi, Mr Hawatt and from the other side was the mayor, Mr Asfour, and the general manager Mr Stewart.

And what was going on at this stage in the context of discussions about amalgamation? Was it considered that if an amalgamation was going to occur it would be between those two councils?---Yes.

40 Was it considered to your knowledge that those two councils would be forced to amalgamate?---Yes.

And when did you first come to that understanding?---The fourth amalgamation?

Yes, of those two councils?---I'm not sure, I can't recall, really. That was later at that meeting, that come later after that meeting, I believe.

Well the amalgamation was after the meeting?---Yes.

The meeting, if you can assume it, was in March 2016?---Yeah. Yeah. I'm not talking about the amalgamation. The decision to go to amalgamation.

Yes?---It happened after the meeting. That's a big difference there.

But there was a clear understanding on the part of everyone present at the meeting at your house in March 2016, tell me if I'm wrong, that an amalgamation was going to occur and so far as Canterbury Council was concerned it would be with Bankstown Council?---I agree.

10

And you don't know where people got that idea from?---No.

Councillor Asfour was the mayor of Bankstown Council. Is that right?
---Yes.

20

And what was discussed at the meeting?---Well the discussion was over the structure of the new council, the issue of where all the staff goes, staff can be protected as far as their job concerned, ah, the issue of who becomes the general manager, the issue was as well, another issue was the role of Mr Montague in that scenario. Ah, that could be, there could be other things but that's the one I recall that were the main issues, the main points discussed at that, that meeting.

Have you read Mr Stewart's statement on this subject?---Ah, not yet.

You haven't read it at all?---No.

30

You appreciate it's on the Commission's website?---I haven't, I haven't had a chance to read it, sorry.

As you understood it, if those were the subjects being discussed and the broader subject generally of the amalgamation, why is it that those two councillors, Councillor Azzi and Hawatt - - -?---Yeah.

- - - were there from the Canterbury side but not other councillors?---I don't know.

40

Why was Mayor Robson not there, given that Mayor Asfour was?
---I understood Mr Montague was representing Mr Robson in that meeting.
You can ask - - -

Isn't it fair to say that you understood that the decision-makers were at the table?---That could be another question, another answer, yes.

Well, that's a fair representation of what you believed at the time?---Yes.

That the decision-makers for Bankstown were there - - -?---Yes.

- - - and the decision-makers for Canterbury were there.---Yes, Mr Buchanan, yes, that makes sense.

And that Councillors Azzi and Hawatt - - -?---Yes.

- - - were decision-makers along with, sorry, were the decision-makers for Canterbury, generally speaking, along with the general manager, Mr Montague.---I would use the word the power brokers rather than the decision-makers. That would be more accurate.

10

You understood them to have considerable influence in the making of decisions at Canterbury Council.---Who, myself?

No, you understood them - - -?---Oh, sorry.

- - - Councillors Azzi and Hawatt - - -?---Yeah.

20

- - - to have considerable influence in the making of decisions at Canterbury Council.---Well, they, obviously they play a very active part. Now, how much influence in the decision-making, I'm not sure of that, to be quite honest.

Well, if there was anyone who had more influence than them, then they logically would have been at that meeting, wouldn't they?---Oh, sorry, you're referring to that meeting?

Yes.---Oh, yes, of course, yes, you're right, yes. I'm sorry, I - - -

30

So I'm just talking about March 2016.---Yes, my apology, I thought you were talking in general.

The people who were the decision-makers - - -?---Yes.

- - - for those two councils were at that meeting?---Oh, yeah, yes, absolutely.

40

Now, you didn't take an active role?---I was sitting there and listening. I was the host, I brought some drinks, I had some finger food, put them on the table.

Was there some controversy or hostility that broke out at some stage when a particular subject was being discussed?---There was a lot of tension, yes.

What was the tension between?---Well, I think - - -

Who was the tension between?---Well, it was obvious to me between the two general managers.

Yes. And what was said?---Well, I think ah, ah - - -

The gist of what they said, please.---Yes, yes. I think it's to do with Jim role after the amalgamation. That was the, the, the core subject.

Can you tell us more?---Yeah. I think Jim was happy to retire after the amalgamation, from what I understood, and be a consultant in the transitional period between the two councils. There were a lot of work needed to be done between the two council and Jim offered to play that role.

10

But at that meeting held at your house - - -?---Mmm.

- - - what occurred was that Councillors Azzi and Hawatt, particularly Hawatt, were telling the Bankstown side that this is what they wanted to have happen to Mr Montague. Isn't that right?---That is possible, yes.

And that whilst Mr Montague did participate and he did speak in the meeting - - -?---Mmm.

20

- - - the strongest contributions on the fate of Mr Montague and the fate of senior staff was coming from Councillors Azzi and Hawatt, wasn't it?
---Not really. I think Mr Montague has referred to this issue - - -

Yes.--- - - - and made, and said that he is very concerned about the future of the senior staff, yes.

Right.---Is that what, what you're asking, sir?

30

That's one part of it, yes.---Yes, yes.

And then in terms of what would be done with Mr Montague after amalgamation - - -?---Yes.

- - - what was Councillor Azzi's and Councillor Hawatt's position on that as expressed at the meeting?---I think they were agreeing with Jim because Jim was happy to acquire that role which I just told you about, to see the process of the transition between the two council and play a role in that, in that regard.

40

When did you first meet Mr Stewart?---I met Mr Stewart at, through functions before that meeting, and I'd been to his office, ah, ah, a few times working on a few projects.

Who organised the meeting?---I organised it, I can call him directly and, and ask him question.

And did anyone ask you to organise it or suggest that it should be organised?---Yes.

Who?---In this case I was working on a project for Dyldam in Bankstown which has, that withdrew from later on. I was organising a meeting, they were interested in the RSL club venture, there was an RSL club, to rebuild the club and rebuild the, the land around it. That was a project I was involved in, yes, and I would, every time there's a meeting I would call Mr Stewart for the meeting and, of course, comes with it the urban designers, the planners, the architects. You would have a meeting with 10 people present to discuss these particular issues.

10

Who organised the meeting held at your house?---Oh, my house. My apology, my apology. Ah, I organised it.

And did anyone suggest to you or ask you to organise it?---Ah, yes, someone must have, I can't recall.

Who?---I can't recall, I'm sorry. I can't recall who asked me to organise it but I was happy - - -

20

Did anyone say anything to you that inspired a suggestion on your part to organise it? I'm just trying to find out - - - ?---Yeah.

- - - how come it occurred?---Someone would've asked me to organise it but I can't recall who, to be quite honest with you.

Someone on the Labor side of politics?---More likely, yes.

Given the politics of the people around the table at your place?---Yes.

30

And given your politics?---Yes.

And were you asked to organise it, perhaps because you were seen as a power broker in Labor Party circles in the Canterbury Bankstown area? ---I'm not a power broker, I've never been a power broker.

But you have a way of getting at least people together with a view to achieving results, don't you?---I have, I have always been active in mediation and reconciliation in the interests of the party, yes, that's the answer.

40

So since amalgamation which I ask you to accept was on 12 May 2016, have you had any conversations with Mr Stewart?---Ah, yes. I did. I remember I did, yes.

Can you tell us how many times have you spoken with Mr Stewart since amalgamation?---I can't say how many times I have talked to him, he would've called me, I would've called him. I went there to see him a couple of times, ah, and, ah, the context that, ah, ah, Mr Stewart was not very

happy about the, ah, the response he had from Mr Montague, ah, he told me there were a few confrontation over the phone between the two parties.

This is after amalgamation occurring on 12 May when Mr Stewart is running the council, the amalgamated council?---It's before, during and after, so that was not, there was always, it sounded to me, a fair bit of bad blood between the two.

10 But after amalgamation, Mr Montague wasn't kept on as a consultant, was he?---No, he wasn't.

So it wasn't an issue for Mr Stewart after amalgamation, was it?---Not, not straight after amalgamation because from memory, Jim stayed there for a short period of time before he, he left. So it didn't happen so spontaneously from what I understand.

Had you been present at any social occasion involving Mr Montague since the amalgamation?---You mean after amalgamation?

20 Yes?---Yes. Yes. I kept seeing Jim as I used to see him before.

No, no, no, I'm sorry. Mr Stewart, if I said Montague, I apologise?---Oh, sorry. Yes.

I intended to ask have you seen Mr Stewart in a social context since amalgamation, after amalgamation?---I have seen him a couple of times in a fundraiser, ah, for a, the Happy Face Syndrome which was conducted at Bankstown Council on behalf of Mr Asfour.

30 What other occasions?---And there were two, there was one, I think there were two occasions because that's done yearly and, and what the other occasion, I can't recall, sir. But I've seen him two or three times, then, yes, absolutely.

Have you been to a dinner with him since amalgamation?---Oh, yes. I have. I have. We had a farewell for Mr Montague which Mr Stewart attended with is, with his partner, yes. That's right.

40 Where was that held?---I think that was held at the fish, the restaurant called Flying Fish in, in - - -

What suburb?---In, in the city. It's on the wharf there. Yeah, Flying Fish. That was the name of the restaurant.

And when was that held?---I think after amalgamation some time.

And who attended that dinner?---There was a few people there. There was Mr Montague, Mr Stewart and his partner, Mr Furolo, myself, Mr Asfour

and maybe someone else. I can't remember. That's the one I can remember actually.

Have you been party to arrangements to have a dinner with Mr Stewart and Mr Hawatt and Mr Azzi and Mr Vasil?---I can't recall.

Well, you would recall if Mr Vasil had been present, wouldn't you?---No. Not necessarily.

10 Thank you, those are my questions.---Thank you, sir.

THE COMMISSIONER: Mr Moses.

MR MOSES: Yes. Thank you, Commissioner. Mr Khouri, I represent the Canterbury-Bankstown City Council and a number of individuals. There seems to be some confusion about what your occupation is. When did you last file a tax return, you personally?---This year.

20 Yes. And what did you describe your occupation as, sir?---I, as I said to the Commission, I do various things, which include trading, export, import, property. I said to the Commission that I do invest with a group of people in property trust. I had restaurants in Sydney, three Ali Baba outlets for, since 2012 or '13 and I had a share in a restaurant in Canberra. It's called Saffron. So I have multiple source of incomes, sir, yes.

Are you finished?---I have.

30 I'm going to ask the question again. What did you list your occupation as in the last tax return? Do you understand that question?---I can't recall.

You can't recall. Now, you say you're a friend of Mr Montague's, correct? ---Correct.

And do you know that Mr Montague has previously said about you that you know developers and architects and that you've acted as a lobbyist? Do you know he's said that previously about you?---Well, he's wrong because I was never a lobbyist in my life.

40 Do you know what a lobbyist is?---Yes. I know.

What is a lobbyist, sir?---A lobbyist is a person, a third party who deals between government departments and government, and companies and private individuals.

Do you know that a lobbyist includes lobbying a government official for the purpose of representing the interests of others in relation to, for, for relevance here, planning applications. Do you know that's what lobbying is?---No. I don't understand that, I don't think that's lobbying.

Don't you?---No,

But that's what you were doing, weren't you, sir? Let's be honest about this, Mr Khouri, because it's better to be truthful here.---Yes.

That's what you've been doing, in respect of Canterbury Council, haven't you?---No.

10

No?---No.

Well, we'll do it the hard way.---Yeah, do it the hard way.

So, you gave evidence on the last occasion, at page 208 of the transcript, that you cultivated relationships with councillors at the Canterbury City Council on a community service level. Is that right? Do you remember giving evidence to the Commission on the last occasion?---Can you repeat that question? I'm sorry.

20

You gave evidence at page 208 that you cultivate relationships at the Canterbury City Council on a community service level.

MR STANTON: Might he be shown the transcript, Commissioner?

MR MOSES: Page 208 of the transcript.

MR STANTON: My learned friend is referring to it so, yes, the witness should be able to do it, too.

30

THE COMMISSIONER: Can we get that up?

MR MOSES: So it's at the top of the page up to line 10.

THE COMMISSIONER: Do you think it's easier if we give the witness a hard copy?

MR MOSES: Sure. Sorry, was the objection on the basis that I wasn't accurately reporting what was in the transcript?

40

MR STANTON: No, not at all. No.

MR MOSES: No. Okay.

MR STANTON: Mr Moses, for his clarification, in fairness let him see the transcript that he's reading from so he can follow his question.

MR MOSES: Sure.

THE COMMISSIONER: No, no, that's fine. 208, 2-0-8.

MR MOSES: Yes, Commissioner. Yes, on 18 April 2018, page 208. So, Mr Khouri, if you read the top there, Counsel Assisting has asked you a question, "Have you cultivated relationships with councillors, particularly on Canterbury City Council, before the amalgamation?" And then you said, "On the community service level, yes." Do you see that?---Yes.

10 Okay. So is that your evidence that you were cultivating relationships with councillors at the Canterbury City Council for the purpose of community service projects?---Ah - - -

I'm just trying to understand your evidence, sir?---Yeah. I think I need to clarify something, Mr Moses.

20 Please do?---Ah, I was a community worker based in Bankstown between '85, '86 to early 90s, and what I meant here, ah, Canterbury Council was one of the councils because they had a very strong and big community service section. So, ah, the word cultivating is a bit over the top. I have established relationship with all sort of people including councillors as a result of this type of work, yes.

Just go back to what Counsel Assisting was asking you, though. What about in between the period 2010 up until the point of amalgamation, do you accept that you were cultivating relationships with councillors at the Canterbury City Council during that period?---2010?

30 Up until the point of amalgamation, that you were cultivating relationships with councillors. Do you agree with that?---No, I don't.

No. Okay. Well, what about Mayor Robson? When did you become his friend?---I met Mr, Mr Robson, ah, at, at a farewell for Mr Furolo, the mayor, the previous mayor of - - -

In 2010?---No, it would be later than that. Maybe, I don't know, I can't recall.

40 But is it fair to say that you became a friend of Mayor Robson's at the time that he was mayor? You became a friend of his, didn't you?---Yes.

Yes. And were you cultivating a relationship with him at that time?---I have never asked Mr Robson for any favours, and he said it in his statement, sir.

Don't worry about what he said in his statement. You focus on the question?---Yes.

Were you cultivating a relationship with Mayor Robson?---It's not cultivating, it is the status quo. I mean, we're both member, both, both member of the party, we see each other on a regular basis so I don't know, the word cultivating is the appropriate terminology here.

You think that's insinuating something sinister to you. Is that right?---I think so, yes.

10 Okay. Have you ever been a councillor?---No. I, I've been offered.

No, okay. But you are somebody who's taken an interest in the operation of local councils. Correct?---Ah, yes.

And you're interested in who has power in councils, aren't you? Let's be, let's be frank about it?---Very frank, not necessarily.

No?---No.

20 Okay. Now what about in 2005 in Strathfield, you had an interest back there as to who was to be the mayor of that council, didn't you?---That is absolutely incorrect.

Incorrect?---Yeah.

Did you give evidence at an ICAC inquiry in 2005?---I did give evidence in a private hearing, yes.

30 Do you know what the 2005 inquiry was about?---It was about the existing mayor, which I never knew, was bribed or something.

It was about a bribery inquiry - - -?---Yes.

- - - in relation to threats to a mayor?---Yes.

Okay.---I never knew the mayor, I never knew, I only knew one person there who was just new there, the mayor who come after, Mr Abi-Saab who I knew for a long time and - - -

40 You're talking about the Mayor Tsang, aren't you?---Sorry?

T-s-a-n-g?---No, no, no.

No, somebody else are you?---I'm talking about Mr Abi-Saab who did become the mayor after Mr Tsang, but I never knew Mr Tsang, never called him, never dealt with him.

Okay.---And I was only new in the area, I was there for nearly six months when this things was happening.

You're interested in who has power in councils because they have power over development applications. Correct?---No, that's not correct.

You're not interested in who has power in councils because they operate libraries. Correct?---(No Audible Reply)

Let's be blunt about it, sir.---Very blunt sir, no.

10 No.---No.

Okay. You want to stick with that evidence?---I will stick to it.

Okay. Now, tell me this. In relation to page 247 of the transcript, this is at volume 3, Commissioner, page 247 of volume 3 of the brief of evidence, thank you. If that could be shown on the screen. Counsel Assisting asked you some questions about these text messages text messages between yourself and Mr Hawatt, I think it is. If that can come up on the screen. Just while it's being done, Councillor Hawatt was from the Liberal Party?

20 ---Yes.

And you're a Labor Party background, correct?---I am.

Ah hmm. And you were seeking information from him about whether a new director of planning had been appointed. Correct?---Correct.

And your interest was because you were doing some work, weren't you, for Dyldam. Correct?---Yes.

30 And that's referred to in item 2 on the text messages. Correct?---Correct.

That had been delayed until 12 February.---Yes.

You weren't happy about that of course?---No, I'm not the one who wasn't happy. Dyldam weren't happy. They were trying to come and have a meeting with whoever the director, but they were frustrated because they didn't know what was going on and they were asking me and I said to them, look - - -

40 Well, why were they asking you?---Because I do work for them.

Oh, okay. So what work do you do for them?---I do all over Sydney, I - - -

MR STANTON: Well, Commissioner, this has been asked and answered, with respect.

MR MOSES: No, no.

THE COMMISSIONER: No, I'll allow it specifically to be - - -

MR STANTON: Well, I understand that, Commissioner, but this is, if it's to be legitimate in terms of (not transcribable) this witness has been here two days and the evidence speaks for itself. He's already answered that he worked for Dyldam.

10 MR MOSES: I'm coming, don't worry. Don't worry, I'm not, I'm not rehearsing my learned friend's questions, Mr Buchanan's, although they're good questions. In terms of Dyldam, you were working for them, weren't you?---Yes.

And you were a lobbyist for them?---No.

You were not a consultant for them on planning matters, were you?---No.

No. Your background is as a medical scientist, you've told the Commission. Correct?---Yes.

20 And you weren't advising them on food supplies, were you?---Are you being sarcastic, Mr Moses or - - -

Answer the question. Were you advising them on food supplies?---Of course not.

No. So what were you advising them on?---I have worked with Dyldam first I brought them opportunities - - -

30 No, no, listen. What were you – you said you were a consultant. Don't worry about opportunities, what, what were you consulting on?---Well, that's part of the job, Mr Moses.

MR STANTON: Commissioner, he's answering the question.

THE COMMISSIONER: Hold on.

THE WITNESS: That is part of the job, Commissioner.

40 MR MOSES: Okay. Let's, let's go through them.

THE WITNESS: You asked me what were you doing to - - -

THE COMMISSIONER: Hold on, Mr Khouri.

THE WITNESS: Sorry, madam.

THE COMMISSIONER: If we can just start.

MR MOSES: Thank you, Commissioner. Okay. So you were bringing them opportunities?---Can I, can I talk?

Yes.---Thank you. I was bringing opportunity.

Ah hmm.---I was bringing them project managers, subcontractors, all sort of work, visiting sites, it's real work, it's hard work, real work ah, with the organisation.

10 Okay.---Planning, they've got a massive team to do planning, experienced, professional, they don't need me to do planning, sir.

Did you attend meetings with council officials with Dyldam?---I have attended a couple of meeting at Bankstown - - -

Yes.--- - - - which was organised by Dyldam.

20 Mmm.---There were about 10 people attending those meeting, all the expert, urban designers, planners, the whole works, and I was there as, to see what's happening to the project, yes, just for information.

And for what purpose?---Because I was, I was working with the company and I needed to know what was going on on that respect, yes.

And how much - - -?---But nothing to with planning though.

Okay. We'll come back to that. How much were you paid for this work? ---I have been put on a retainer for a period of time, I can't exactly - - -

30 Is there a written agreement?---There is an agreement, yes, I'm happy - - -

Between you, between you and Dyldam?---Yes. I'm happy - - -

In your name?---Yes. I'm happy to provide that.

Thank you. And do you know how much money you were paid on the retainer, sir?---I was getting 8,000 plus GST per month for all this work.

40 Thank you. And was that being deposited into your personal account?--- Absolutely.

Thank you. And was that being paid as a contract or an employee?---Ah, contractor.

Now, in relation to going back to volume 3 page 247, and if you go here, you have taken an interest or a role, haven't you, in who would be appointed director of planning. Correct?---(No Audible Reply)

Were you interested to know from Mr Hawatt who was going to be appointed to be director of planning?---No.

You weren't?---(not transcribable)

No, sir, listen, answer the question?---Well, I'm, I'm - - -

10 You're here to, listen, you're here to answer questions. Do you understand that? So listen to the question. Did you take an interest with Councillor Hawatt as to who was to be appointed director of planning?---Yes.

Yes. And you wanted Mr Stavis to be appointed as director, didn't you? ---No.

No. Well, let's go back then to the text at page 247 volume 3. You've said, "There is only one solution" in text item 9, do you see that?---Yes.

20 "There is only one solution." See, what I want to suggest to you is this, is this the position, that if Mr Stavis was not employed by Mr Montague, then the solution was to have Mr Montague sacked? Is that correct?---No.

Is that correct?---No.

No, okay. And what about in item number 11? "I think he putting pressure on me because I turned my back on him." Do you see that?---I do see that.

You're referring to Mr Montague there, aren't you?---I'm not sure.

30 You're not sure?---No.

Okay. And item 13, you say, "Fuck him." Do you see that?---Yes.

"You people made a mistake yesterday by accepting his choice."?---Yes.

Do you see that?---Yes.

You're referring to Mr Montague there not appointing Mr Stavis. Correct? ---No.

40 No. Okay. Now in relation to the Dyldam property, that's the one at 15-33 Brighton Avenue, Croydon Park. The one you're referring to in that text message?---I think so.

Yes. It's quite a large development, isn't it?---No.

No. Okay. Your clients were upset about the fact that it wasn't being progressed. Correct?---They were concerned, yes.

And they wanted you to do something about it?---Ah, they were trying to call council to follow up on, because they had very limited time as far as the option concerned, Mr Moses, and they were under pressure to respond in this occasion to the Department of Planning because the request coming back from the Department of Planning on what they should be doing and coming back to them on, on that matter, including open space and some other factors they had to deal with.

10 And they wanted you to do something about it, didn't they?---They asked me why they were not, no one responding to their request to have a meeting at council. Yes, they did.

So you decided you wanted to find out what was going on. Correct?---Yes.

And to that end, you contacted Councillor Hawatt. Correct?---I've asked Councillor Hawatt, yes.

20 Because you wanted it progressed. Correct?---No. I wanted to know what's happening.

Okay. Did you know that Charlie Demian - - - ?---Yes.

- - - lodged a development application for 998 Punchbowl Road, Punchbowl?---Is that the - - -

Which used to be a service station. Did you know that his company had lodged a development application for Punchbowl Road, Punchbowl?---No. I'm not aware of that.

30 So you didn't bring that opportunity to him?---No.

Okay?---He had that, he had that spot for a long time.

Okay, thank you. Now on the last occasion, you told the Commissioner that you made money from property investments?---Yes.

That you made via family trusts. That's at page 197 of the transcript, Commissioner?---Yes.

40 THE COMMISSIONER: Thank you.

MR MOSES: One of those companies is Nabrish. Is that right?---Yes.

N-a-b-r-i-s-h Pty Ltd?---Yes.

And another is Nara, N-a-r-a, New South Wales Pty Ltd?---Yes.

And another is Arguile, A-r-g-u-i-l-e Pty Ltd. Correct?---Yes.

You're the company director of each of those companies?---No. I am a company director of the K & H Bech Pty Ltd, which - - -

Of which one, sorry?---K & H Bech Pty Ltd.

Yes?---And the company, that's my company, owns a share - - -

Which company?---K & H Bech Pty Ltd.

10

Thank you?---Owns a share in the option, because what does the trust do is take option on land and do all the documentation and resell it to developers. We don't develop ourselves.

Well these companies Nabrish, Nara and Arguile, are you saying you're not a company director of these companies?---Ah, I could be in one or two, yes.

Well, do you know?---I can check that for you.

20

No, no. Do you know sitting here today on oath? Are you a director of any of these companies?---Yes. I am a director of maybe one of them, yes.

Maybe one?---Yeah.

But you don't know?---No.

No. What about Tanya Chanine?---Tanya is, yes, I think she's a director on one or two of those companies.

30

Is she a relation to you?---No.

No. Well, you know the Chanines, of course, were applicants in relation to properties with Canterbury Council, correct?---Yes, correct.

And indeed, you yourself, owned a property, didn't you- - -?---I don't, no. Never owned a property.

40

No, no. Listen to the question. Owned a property through one of the companies at 220-222 Canterbury Road, Canterbury. Correct?---Have you finished the question, sir?

Yes, I have.---Good. I never owned a property, my company, and I repeat for the fifth time, my company owns a portion, a portion of the option to buy this property.

That's Argyle.---So the, Argyle and others. I don't know which one is for this one. But it is misleading to say that my company owns the property or portion of the property.

Well, I don't want to mislead you. How about I put the question to you this way. You had an interest in the property?---Yes.

Yes. Interest in the property?---Yes.

So that I'd the property was the subject of a positive development approval, you'd get a benefit out of it, correct?---Yes, yes. Absolutely.

10 That's correct?---Yes.

Thank you. In relation to, if I can call them the Chanines. When you were doing work for the Chanines, what type of work were you doing for the Chanines?---I did work for the Chanines a long time ago when they came back from Queensland and I said to the Commission that they, I, I found them a buyer to buy a site they did in Canterbury back, it must have been fifteen or twenty years ago. I found them a buyer who, who bought that site back in those days. This is where the relationship started and, and the Chanines were appointed to do the work for the, for the property trust so
20 they were handling all this by themselves.

Were you a consultant to the Chanines?---At some stage, I did work as a consultant back in those days, when I, when I saw the site, yes.

Did you ever speak to council officials about development application that had been lodged by the Chanines?---It was a long time ago. I can't recall. I'm sorry.

Well, what about, for instance, the property – although this is not being
30 dealt with in this segment, I think, of the inquiry – the development application at 220-222 Canterbury Road, that you also had an interest in?---
Yeah. The - - -

Did you speak to Councillor Robson about that property?---No. I never spoke to anyone about it.

Did you speak to Councillor Hawatt about that property?---Absolutely not.

Councillor Azzi?---No.
40

What about Mr Montague?---No, Mr Montague.

Never?---No.

Really? Okay.--- Do you know why?

THE COMMISSIONER: No, just answer the question, Mr Khouri.

MR MOSES: I don't want to ask you that question yet, sir. Now, in relation to, if I can go back one step to the appointment of Mr Stavis. You called Mr Stavis to let him know that he'd been appointed?---Yes.

Yes. Why?---Because Mr Montague asked me to do so.

Were you trying to carry favour with Mr Stavis?---No.

10 Were you trying to, were you trying to pretend that you had got him the job?---No.

You said before that he was desperate. Correct? Mr Stavis.---Something in that, but it wasn't the word desperate.

THE COMMISSIONER: I think it was vulnerable and had financial difficulties.

20 MR MOSES: Well, you said he was vulnerable.---And had personal difficulties.

He was financially vulnerable?---I knew he was, had personal issues due to what, I wasn't sure if it was financial or not financial.

What's it to you to call somebody to tell them they had received a job as a director of planning?---I was helping my friend Mr Montague in that situation. He was under a lot of pressure and stress and I've always been called upon to assist in these sort of situations.

30 Was this the person who you were saying before to "fuck him" in terms of the fact that he hadn't appointed Mr Stavis? Were you now helping him by facilitating the appointment of Mr Stavis?---I said, I'm not sure that was referring to Mr Montague.

You see, you knew, didn't you, that Mr Montague did not want Mr Stavis employed, correct? You knew that, correct?---I knew that Mr Montague did not want Mr Stavis employed.

Yes. Mr Hawatt told you that as well, didn't he?---I can't recall.

40 You can't recall?---No.

Okay. And you then, did you not, find out that Mr Stavis was in fact to be employed. Correct?---I found out that he was employed, yes.

And you wanted him to be employed, didn't you?---Couldn't care less who is the guy.

You couldn't care less?---No.

No? Okay. And so if I was to suggest to you that you're lying when you say that, what do you say about that?---I think, ah, I'm not lying, and - - -

You think you're not lying?---No.

Okay. And I'll go back to Mr Stavis. Why did you need to call Mr Stavis to tell him he got the job?---I just said Mr Montague did ask me to pass that message. It's on the record.

10

Well, what about if Mr Montague had already called him to tell him that? ---Probably he did, yes.

What's it got to do with you?---Ah, that's a good question. Ah, look, I, ah, ah, I did support Mr Montague all along for years. Mr Montague, ah, just to answer your question, is that right? Can I continue?

I haven't said a word, please?---Oh, sorry, I thought you were - - -

20

No, no, don't worry, you'll hear me if I'm going to say something. Don't worry, I've got a pretty loud voice. You keep going?---I, my relationship with Mr Montague is I have a lot of gratitude for his support for the community over the years. Mr Montague was a leading person in the area where the demographic was changing so quickly, he has supported us in the community organisation for a long time. He made council facilities available, parks, he attended every function, so the relationship goes back a long way and there's many people like me in the area who regard Mr Montague as a, a very valuable, ah, ah, and, and a person who contributed to the area for a long time. That's why. I don't know if that makes sense or not.

30

You see, you see, in relation to Mr Stavis, it was no part of anything to do with you to be involved in his appointment as a director. Correct?---Yeah.

And, in fact, you had a conflict because you had properties in the area which you had an interest. Correct? Yes?---I have an interest in a property, yes.

Yes. And you were consulting at least one company who had a development application before the council. Correct?---Ah - - -

40

Dyldam?---There was no development application.

No, there wasn't?---There was a rezoning.

A rezoning?---Yes.

Okay?---And that was done - - -

Do you agree though, that you had a conflict of interest?---No.

You can't see that?---Why?

You can't see that you having a role as to who is to be appointed as director to determine matters or to advise on matters concerning your client's property, is a conflict?---You're assuming that I had a role still in the appointment of the director. Now, I did not have a role.

10 You say that?---I said that and I can confirm that.

Yes, okay. Thank you. Now, can we go to, I want to ask you some questions about certain people. First Mr Robson, you've said you were a good friend of his. Correct?---Yes.

Is this your evidence, to be clear, did you say you never discussed any development applications or rezonings with Mr Robson?---Yes.

Is that correct?---Correct.

20

Thank you. Did you discuss the appointment of the director of city planning, Spiro Stavis, in late 2014 with Mr Robson?---I can't recall.

You can't recall?---No. I doubt it very much, I can't recall.

Well, no, when you say you doubt it - - - ?---I said I don't recall, I'm sorry.

Thank you. Did you discuss the threat made to Mr Montague's employment with Mr Robson?---Mr Montague?

30

Yes. Did you discuss the fact that Mr Montague's employment was at risk with Mr Robson?---I can't recall.

Thank you. Now, Mr Hawatt on the last occasion, page 238, Commissioner, you described Mr Hawatt as an acquaintance. Correct?---Yes.

Was he a friend of yours?---I wouldn't say a friend, no.

40

No. When did you first meet him?---I met Michael occasionally, at least five, six years back. Ah - - -

In what, in what capacity?---Functions and places and stuff, but, ah, nothing, I wouldn't call he was my friend, no.

Did you ever discuss with Councillor Hawatt matters in relation to a development application or a rezoning application?---I have never discussed with any councillors any matter to do with development application.

Or rezoning applications?---Or rezoning applications.

Are you sure about that?---I am.

Have you ever sent a message about it?---I had people work - - -

Have you ever sent a message about it?---No, no, no.

10 Well, you're lying, aren't you?---Why are you saying that?

Well, just a short while ago I showed you a text message to Mr Hawatt from you in respect of Dyldam. You texted him about that, didn't you?---Yeah, but that wasn't - - -

No, no. Listen. You texted him about that, didn't you?---I did.

Okay.---Yeah. But you said - - -

20 So, listen, did you text him about that? You said yes, correct?---The question was, "Did you discuss?"

And what was the next question I asked you? Can you recall?---Well, I was trying to answer the first question, sir, because there's no point - - -

No, no, you weren't. No, no, sir, don't play games. The message was - - -

MR STANTON: I object to that. There's no need for this.

30 MR MOSES: Well, with respect, Commissioner, the witness is not answering the question.

MR STANTON: I mean, could you ask the question and keep the comment to a minimum?

THE COMMISSIONER: All right.

MR STANTON: Surely senior counsel knows that.

40 THE COMMISSIONER: Mr Khouri - - -

MR MOSES: I'm not going to be lectured to by Mr Stanton on this issue.

THE COMMISSIONER: That's all right. Just - - -

MR STANTON: Well, you may not, but I'm going to object nevertheless.

THE COMMISSIONER: Mr Khouri, you were asked, "Did you send a message about it?"---Commissioner - - -

And my note was that you said no.---No, Commissioner, I was trying to answer the first question, where it says, "Did you discuss a development application with Mr Hawatt?" Now, I was in the process of answering the question (not transcribable) the other one and he attacks the answer for the other one to – it's, I'm, it's really, got to be clear about the question and the answer. Now, I have to be given an opportunity to answer the question.

10 Well, your evidence throughout has been that you've never discussed a development application or a rezoning with any councillor.---Exactly.

And I assume your answer, when Mr Moses raised Mr Hawatt specifically - - -?---Yes, yes.

- - - your answer consistently with your answer throughout your evidence was no.---That's right.

Correct?---Correct.

20 Now, Mr Moses then asked you about any messages, and my note was that you said no, that you hadn't sent Mr Hawatt any messages - - -?---I did.

- - - about an application or a rezoning.---No, it wasn't a message about an application. It was a message about "Has a planning director been appointed or not?"

All right.

30 MR MOSES: Can the witness be shown on the screen volume 3, page 247. Now, Mr Khouri, look at item number 2.---Yes. Yes.

This is you to Councillor Hawatt, "They delayed Dyldam until 12 February meeting." Do you see that?---That's right.

40 Are you suggesting to the Commissioner that prior to you sending this text message you never spoke about Dyldam to Councillor Hawatt? Is that what you're telling the Commissioner to believe?---I told the Commissioner that Dyldam has a planning proposal on that site. My discussion with Mr Hawatt was Dyldam was trying to get an appointment. What's the problem? Now - - -

THE COMMISSIONER: No, no, no. Mr Khouri, you're not answering the question.---Sorry. I can - - -

MR MOSES: Did you discuss with Councillor Hawatt, prior to sending this text message, the property concerning Dyldam?---No.

Yes or no? No?---No.

So just out of the blue you send a text message to him on 2 December?

---Yes. Yes. Yes.

And that somehow you assume that he knows what you're talking about?

---Yes.

And you want the Commissioner to believe you're giving truthful evidence, correct?---I think I've said the truth, yes.

10

But I want to suggest to you that you're not telling the truth.---Well, I am telling the truth because it didn't matter for me what, what Hawatt, what I tell him or (not transcribable). All I'm interested in is, is there someone I can get them to make an appointment to go and see. He, he knows nothing about this.

But you've previously, I think, as you've accepted from Counsel Assisting, but please correct me if I'm wrong, you've previously asked Councillor Hawatt or Mr Hawatt to intervene by calling another Councillor in

20

Strathfield to follow up a development application, correct?---Yes, correct.

So you've used him previously in respect of Strathfield, correct?---Yes, correct.

But you never spoke to him in similar terms for anything to do with his council?---Yes.

Is that your evidence?---Correct.

30

Now, you discussed with Mr Hawatt the appointment of a new director of city planning, correct? Is that correct?---In what context, I'm sorry. Where and how? When?

Did you ever discuss with Mr Hawatt the appointment of a new director of city planning to Canterbury City Council?---We must have talked about it, definitely.

You were interested in who was to be appointed as director?---Yes.

40

Because people for whom you act had properties in the area. Correct? ---Ah, yes.

Now, when you found out that Mr Stavis wasn't being appointed as the director, you weren't happy, correct?---No.

I'm sorry?---No, not correct.

Not correct?---No.

Okay. Okay. Now, I'm going to move on to Mr Montague now.---Yes.

You're a friend of Mr Montague's?---I am.

And how long have you been his friend?---Must be over 20, 20, 25 years.

Okay. Now, in January 2015 it was reported that you purchased two of Mr Montague's former work vehicles, a Lexus and a Passat.---Yes.

10

P-a-s-s-a-t. At a public auction, correct?---Yes.

Who did you buy the cars for?---One for my son and one for myself.

Did you ever lend any of those vehicles to anyone?---(No Audible Reply)

Did you ever lend either or both of those vehicles to anyone?
---I don't, I don't believe so.

20 Sorry?---I don't recall. I don't recall.

Did you ever lend either or both of those vehicles to Mr Montague?---No.

I'm sorry?---No.

Okay. Thank you. Now, can I ask you about this meeting at your house the Counsel Assisting has asked you some questions about.---Yes.

30 You met I think Mr Matthew Stewart for the first time in 2012 at a dinner that was held at one of your restaurants in Canberra for the Australian Local Government National Assembly. Correct?---(No Audible Reply)

Do you remember 2012 was the first time you met Mr Stewart?---I think I met him before that.

Now, at Bankstown Council you would on occasion visit the council in relation to applications to do with Dyldam, Charlie Demian and the Chanines. Correct?---I did not do it by myself.

40 But you would attend - - -?---I would attend.

- - - meetings with Mr Stewart and other officials. Correct?---Correct.

And you attended in your role as a consultant to those developers.---Yes.

Correct?---Yes.

Now, this meeting on 30 March at your home - - -?---Yes.

- - - was that Mr Montague's suggestion or the suggestion of another person?---Ah, as I said, I can't recall. The Commission asked me already.

And was the purpose of the meeting as far as you were concerned for you to bring the two, I think you may have said these words, the power brokers from both council there?---(No Audible Reply)

10 Was that your, was that what you understood the meeting to be?---I'm not sure if I said the power broker but - - -

Well, you're inviting people into your home. Why did you open up your home to these people?---Those people have requested me.

Those people have?---Yes.

Who told you that?---I can't recall. One of the, one or two people asked me if they can have the meeting in a neutral place.

20 Well, do you know who asked you that?---No, I can't recall.

Can't recall.---No.

Do you recall when Mr Stewart arrived - - -?---Mmm.

- - - he asked where Mayor Robson was and Councillor Hawatt said, "Fuck Brian, he's an idiot." Do you recall that being said?---No.

30 No. And do you recall Councillor Hawatt talking about the Liberal Party's decision to amalgamate councils?---(No Audible Reply)

Yes?---I think I did, yes.

And do you recall Mr Stewart saying, "What the government does is out of our hands, what are we here for?" Do you recall him saying that?---No.

40 Do you recall Mr Hawatt and Mr Azzi saying that Mr Montague had been the greatest general manager but that Mr Stewart would be the future general manager of the amalgamated council?---Yes, I did.

Do you recall Mr Stewart saying, "It could be any of us or it could be none of us?"---I did.

Do you recall Mr Azzi and Mr Hawatt saying that it had been agreed that the new aquatic centre would be called the Jim Montague Aquatic Centre? ---Yes, I did.

Do you recall Mr Montague saying that he still had a lot to offer local government and wanted to be a consultant to the amalgamated council?---
Yes, I did.

Do you recall him asking that Christina Lyras, L-y-r-a-s, and Janelle Macintosh, should be looked after once the amalgamation occurred?---From memory I think he was talking about the whole staff, not two particular people.

10 Do you recall Mr Montague saying he had a letter of resignation in his pocket that he would hand over the week before the amalgamations became effective?---Yes, something like that. Yes.

And do you recall him saying that, Mr Montague saying, that he would suggest he would get a resolution from council that his retirement be accepted the moment proclamation happened?---Yes.

20 Do you recall Mr Montague saying that the amalgamated council would need to get rid of all the senior staff except for Spiro Stavis?---No.

Do you recall Mr Stuart saying, “You didn't want him. What happened to that?”?---I can't recall, I'm sorry, at this point.

Do you recall Mr Montague saying about Mr Stavis, “I was wrong, I know I didn't want him at the start but I was wrong, he's doing really well fixing everything up and making changes”?---Yes. I heard that.

30 Do you recall Mr Hawatt saying that Spiro has to be there because he's forward thinking and gets results?---I can't recall that, I'm sorry.

Do you recall Mr Stewart saying he would not have Spiro in his team?---No, I can't recall.

Do you recall Mr Stewart saying, “I know how it works. If I am the general manager, and if you get on council, and if you have the numbers and you don't like the way I do things then you can fuck me off.”? Do you recall him saying that?---No.

40 Okay. Now can I just go back just to this issue? You've told the Commissioner that you have a number of different business interests. Correct?---Correct.

You've told the Commissioner that you have been, at different times, a consultant to, if I can call them, property owners or property developers. Correct?---Correct.

And you've told the Commissioner that, but please correct me if I'm wrong, that you have never held office as a councillor. Correct?---Correct.

Yet on the evidence, on the evidence, is this the case? You thought that it was your role to advise the general manager as to who should be the director of planning? Correct?---No.

That it was your role to advise the general manager as to the appointment of Mr Stavis?---No.

No. Thank you. I have no further questions, Commissioner.

10

THE COMMISSIONER: Thank you, Mr Moses. Mr Neil.

MR NEIL: Thank you, Commissioner. Mr Khouri, I appear for Mr George Vasil. I just wanted to ask you to take your mind back to your first knowledge of the name Spiro Stavis. Was that when Mr Montague asked you to try and obtain some information about Spiro Stavis?---Correct.

And you have a conversation with Mr Stavis, I think, in the presence of Mr George Vasil, in a café or coffee shop in Earlwood. Is that right?---Correct.

20

And here was Mr Stavis sitting there right next to you. Correct?---Correct.

Correct?---And so this was an opportunity, was it not, to get some information about Mr Stavis from the horse's mouth. Correct?---Correct.

And is that why in your interview with the Commission investigators, part of Exhibit 53 at page 21, you said, "I've asked questions, it looked like a bloody job interview because I was trying to get more information"?---Correct.

30

You were there describing your discussions with Mr Stavis as looking like a job interview because you were getting information out of Mr Stavis. Correct?---Correct, but that wasn't the intention, Mr Neill.

But that's what happened?---Yes.

And did you report back to Mr Montague your information that you'd got from Mr Stavis?---I did, but I can't - - -

40

All right, thank you. Thank you?---Sorry.

Now, I just want to ask you something further about the interview with the investigators. I know it's some time ago, 15 February 2017, but at page 27, you said, as I understand it, about Mr Vasil, you said, "Look, George is a member of the Liberal Party, I think, or supporting the Liberal Party." I want to suggest to you that - - -

THE COMMISSIONER: Mr Neil, can you just stop for a minute? Have you got the page?

MR NEIL: I'm sorry?---I, I do, yes. I just did.

Thank you very much, thank you, Commissioner. Do you see about line 30?---Yes, sir.

10 Did you know that Mr Vasil is not a member of the Liberal Party?---No, I didn't.

Did you know that Mr Vasil was formally a member of the Labour Party but finished that membership quite some years ago?---Yes, I did.

All right. And if I could just ask you to then go over the page to page 28, towards the end of the page after you'd spoken of Mr Vasil's knowledge on planning, you were asked about line 22. "Do you think he called the shots on council?" You said, "No." Do you see that?---I did, yeah.

20

And you repeated that again, you said, "No." Do you see that?---Yeah.

And Mr Berry said to you, "All right then." You said, "George, George always enter from the argument of knowledge rather than", Mr Berry, "Right", "Influence, if you know what I mean." Did you mean by that to convey that Mr Vasil, in matters of planning, applies his knowledge and does not try to influence decisions?---Correct.

30 And I think in evidence you described him, Mr Vasil, as pro-development but would you agree he's not pro any development?---Correct.

Would you say that Mr Vasil could be described as being pro good development?---Correct.

Yes, thank you. Those are my questions, Commissioner.

THE COMMISSIONER: Mr Andronos.

40 MR ANDRONOS: Thank you, Commissioner. Mr Khouri, I appear for Mr Montague. Now I'll just very quickly traverse over some things that you've already said, just so that it's clear that we're on the same page as it were.

MR BUCHANAN: Your Honour, I do apologise. Commissioner, I'd object to that given the time. I appreciate I am the person who took by far the bulk of the time but it probably isn't necessary to go over what we've gone over before, just so that council and the witness understand they're on the same page.

MR ANDRONOS: Well it's two or three questions which should be capable of monosyllabic answers. We probably could have done it in the time that the objection has taken.

THE COMMISSIONER: I'll give you two or three questions.

MR STANTON: Commissioner, I'm happy to sit on if we need to finish because I'd like Mr Khouri to finish today, if we can.

10

THE COMMISSIONER: All right. We'll try, we'll keep on going.

MR ANDRONOS: I understand.

MR STANTON: It's 45 minutes, Commissioner.

THE COMMISSIONER: I'm sorry.

MR ANDRONOS: Mr Khouri, you've known Mr Montague for a very long time, haven't you?---Yes.

20

And in that time, particularly in the period from around about 2014, you would talk from time to time about matters which were of concern to each of you?---Yes, sir.

And you were aware, because Mr Montague had told you, that Mr Occhiuzzi had left the employ of Canterbury Council and he was looking for a new director of city planning?---Correct.

30 Yes. And you know that Mr Montague was aware that in your various commercial roles you had become familiar with building and planning industry professionals?---Correct.

And that you had quite extensive professional conduct with such professionals?---Correct.

40 Yes. Now, did Mr Montague tell you in about September or October 2014 that he had, on behalf of Canterbury Council, retained a recruitment consultant to assist in finding a replacement for Mr Occhiuzzi?---Can't recall that, sir.

Isn't it the case that Mr Montague said to you in about late September or early October 2014 that he was looking for a new director of planning? ---I think he did, yes.

Yes. And did he say to you words to the effect, Bechara, if you know anyone around the traps who's looking for a job in the town planning sphere, you should get them to put a CV in?---I recall he did, yes

And what did you say in response?---I said I will, I will do my best.

Yes. Do you recall where that was?---When that was?

Where that was.---Where that was?

THE COMMISSIONER: Where you had the conversation.

10 MR ANDRONOS: Yes.---No, I can't recall.

Could it have been at the café in Concord?---Possibly.

Now, what I want to suggest to you, Mr Khouri, is that that was the only conversation that you had with Mr Montague where he asked your assistance in any way in connection with the recruitment of a new director of city planning.---It was the first time, yes.

20 Yes. Well, I'm suggesting to you that that was the only time.---No, sir, I remember well that he asked me to find out information about Mr Stavis.

Yes, well, I'm suggesting to you, Mr Khouri - - -?---Yes.

- - - that following that conversation you did go and make inquiries, the first conversation, the one that I've put to you that you've accepted, you did go and make inquiries about town planners, didn't you?---I probably did, yes.

30 Yes. And I'm suggesting to you that you found the name of Mr Stavis from a source of your own and you presented that name to Mr Montague. ---I can't be sure that was the case I'm sorry.

But you don't deny that that's possible?---It is possible, yes.

Yes. And that when you've said earlier in your record of interview that Mr Montague came to you and said this fellow, Mr Stavis, I want you to find out about him, that your memory has played you false and that did not occur.---No, I didn't say that did not occur, I still believe that has occurred.

40 Now, you're aware, did you become aware at some stage later on prior to the interview process taking place that Canterbury Council had retained the services of Judith Carpenter as a recruitment consultant?---I knew nothing about who was the consultant, sir.

But you did know prior to the interviews taking place that there was a recruitment consultant?---Yes, I did.

Yes. And wouldn't it strike you as strange that Mr Montague, having the services of a professional recruitment consultant, would still nevertheless

ask you to conduct the checks into Mr Stavlis's background, rather than the recruitment consultant?---No, it doesn't because Mr Montague, as you said in your, at the beginning, that, that he knows that I know a lot of people in the industry and, and he was interested to find out from the private sector rather than the public sector feedback.

10 But why would you assume that, and why are you assuming now that the information he would have obtained from Ms Carpenter would have come from the public rather than private sector?---Because ah, because I don't think ah, ah, the ah, references which come from checking local government and other public employment area would cover the private sector.

Forgive me, Mr Khouri, I don't understand. Why are you confining your response in that way to the public sector? Surely you would not have known where references could have been checked?---I'm confining my response to the private sector not the public sector.

20 But why are you saying the private sector would have been a different source of information that might not have been available to Ms Carpenter? ---I'm, I'm not sure what that was, what, what I thought of, no.

Is it the case that you're just sitting in the witness box speculating right now as to what you might have thought at the time?---Well, I am not speculating. I thought that Mr Montague would want to know what the response from the private sector because obviously Spiro worked in the private sector as well. That was my conclusion. Now, it could be the wrong assumption, I don't know.

30 Yes. Now, I make this further suggestion to you, Mr Khouri, that any investigations you made in to the background or suitability of Mr Stavlis for the role of director of city planning was not at Mr Montague's request but for reasons of your own. What do you say to that?---It was never a reason for my own, no.

Well, I'll break that down. It was not at Mr Montague's request to accept that?---I don't understand the question, sir. Can you repeat?

40 I'll ask it again. Do you accept that any investigations you conducted in to Mr Stavlis' background were not at Mr Montague's request?---No. I don't accept that.

Yes. Now, correct me if I've misunderstood your evidence in this regard, but is it the case that you didn't spend as much social time with Mr Montague in about late November/early December as you ordinarily would have? Is that a fair characterisation?---It is, I think fair, yes.

Sorry, you agree with me?---It is fair. Yes, I agree, yeah.

Yes. Now, is it the case that in that, in that context, Mr Montague was not keeping you informed of his thinking on whom to appoint as director of city planning?---That is correct.

Now, had you told Mr Montague that you had met with Mr Stavis?---Yes, I have.

When did you tell him that?---I can't recall.

10 Well, was it before or after Mr Montague made the offer of employment to Mr Stavis?---I, I am not sure. I am not sure.

Now, can I take you to the events of 2 December, 2014. Now, that's the occasion where, I think you spoke to Mr Stavis on the telephone.---Yes.

Now, when you spoke to Mr Stavis, he already knew that Mr Montague was considering making an offer of employment to him, he already knew that, didn't he?---Yes.

20 Yes. And he knew that because Mr Montague had told him himself?
---Correct.

Yes. Now, that does not strike you as an usual way for Mr Stavis to have found out about the offer of employment coming his way?---No. Of course not. Doesn't strike me, no.

Because it's official council business?---Absolutely.

30 It's a good news story? So it's not the sort of thing that one would try to take shelter behind someone else on order to communicate?---I assume, so yes.

Yes. And Mr Montague plainly already had relevant contact details for Mr Stavis because he had come in for an interview a few weeks earlier.---Yes.

40 Yes. So having heard your evidence today, Mr Khouri, I remain at a loss as to why on your evidence Mr Montague would have asked you to have a communication with Mr Stavis about an issue which he was plainly capable having with Mr Stavis himself.---I said that myself, but I said my recollection that Jim told me the case and - - -

THE COMMISSIONER: Sorry, Jim told me the case?---Told me that he informed Mr Stavis of the appointment - - -

Right.--- - - - which we discussed before.

But you said that you then rang Mr Stavis.---Yes, I did, Commissioner, but
- - -

MR ANDRONOS: So is it the case when you, when you rang Mr Stavis you already knew that Mr Montague had already communicated that to Mr Stavis directly?---I wasn't sure, no.

10 But didn't you just say, and I could have misheard, didn't you just say that he told you he had called Mr Stavis?---Yes, yes. I think he, he has told me that he told Mr Stavis, as I said before, and ah, I recall that he said I can call him as well and congratulate him or let him know or something in that, in that, in that meaning.

Yes, thank you, Mr Khouri.---Thank you, sir. Thank you.

Thank you, Commissioner. Nothing further.

THE WITNESS: Thank you.

20 THE COMMISSIONER: Now, we don't have Mr O'Gorman-Hughes here but is it Mr Tsing, sorry?

MR TAING: Oh, Mr Taing, Commissioner.

THE COMMISSIONER: Sorry, Taing. Have you got any questions?

MR TAING: No questions.

THE COMMISSIONER: Now, I'm sorry if I miss out on anybody. Is it Mr Taylor's next?

30 MR TAYLOR: Yes, I have no questions, thank you, Commissioner.

THE COMMISSIONER: And Mr Pararajasingham?

MR PARARAJASINGHAM: Commissioner, just very briefly.

Mr Khouri, I appear for Mr Stavis, just so you understand. Earlier you agreed with Counsel Assisting that at around the time that you met Mr Stavis you agreed that he struck you as vulnerable?---(No Audible Reply)

40 You're nodding, yes?---Yes.

And you also agreed that you formed the view that Mr Stavis needed the job. Do you remember agreeing with that?---Yes.

Can you just explain to me what you mean by that?---Well, it was, I mean it was clear to me that Mr Stavis was taking a lot of interest and I felt that he needed help and he needed support, and I said in my statement that I felt that he's got, had no backers to back him for that particular job, based on the

knowledge from before, when you get people applying for you get references from an MP or a general manager or – Mr Stavis didn't have this, this luxury.

I understand it but my question's a little different.---Yes.

You agreed that you formed the view that Mr Stavis needed the job.
---Mmm.

10 My question is why did you come to that view?---Because Mr Stavis was calling me extensively after I met him to ask questions, I can't remember what question they were, but as you saw the record, there's an enormous amount of phone calls and I established from that that Mr Stavis needed a lot of help and support. This is why I came to that conclusion.

Is it fair to say that Mr Stavis was seeking your advice?---Yes, you can say that, yes.

20 You gave some evidence, and forgive me, it's not clear from my notes, about Mr Stavis experiencing some family difficulties and/or some financial difficulties. Is that just you speculating about things?---No. I must have heard it from someone, sir.

Right. But certainly Mr Stavis said nothing to that effect to you?---I, I never mention financial when I was asked by the Commission, I said I understood he had family personal issues, but I wasn't sure that has included financial problems, no.

30 Okay. So it's not your position that you understood that around the time that Mr Stavis applied for the job of director, that he had any financial difficulties?---No, that's something that didn't concern me.

But you say you had some understanding that he had some, what, personal, family problems?---Yes, absolutely.

And what was the source of that information?---I can't recall where that come from.

40 So it's certainly possible that's just something that you heard?---Yes.

And that it didn't come from Mr Stavis?---No.

Thank you, Commissioner. No further questions.

THE COMMISSIONER: Mr Stanton?

MR STANTON: I have nothing at this stage. Thank you, Commissioner.

THE COMMISSIONER: Mr Buchanan?

MR BUCHANAN: No questions arising. Thank you, Commissioner.

THE COMMISSIONER: All right. I'll now - - -

MR BUCHANAN: It is my application, however, that the witness not be excused.

10 THE COMMISSIONER: Yes. I was about to explain that to him.

MR BUCHANAN: Thank you.

THE COMMISSIONER: Mr Khouri, you are not excused. You will have to return in the second sitting of this public inquiry in June. But thank you for coming and giving your evidence in this first sitting?---And I'm very tired.

20 **THE WITNESS STOOD DOWN** **[4.01pm]**

Now, before we finish up today, is there any administration or - - -

MR BUCHANAN: There will be administration that has to be conducted, but it will need to be behind the scenes and I don't know what will be at this stage. We're talking about the witnesses tomorrow.

30 THE COMMISSIONER: Yes.

MR BUCHANAN: But I can assure the parties, if I may through you, Commissioner, that as soon as a decision has been made in that regard, the witnesses for this week will be revised and that will be posted on the website.

THE COMMISSIONER: All right, thank you. All right. We are adjourned until tomorrow morning.

40 **AT 4.01PM THE MATTER WAS ADJOURNED ACCORDINGLY**
[4.01pm]