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INDEPENDENT COMMISSION AGAINST CORRUPTION

PATRICIA McDONALD SC  
COMMISSIONER

PUBLIC HEARING

OPERATION DASHA

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON MONDAY 25 JUNE, 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: Could you just excuse me for a minute.

<GEORGE VASILIADES, on former oath

[2.04pm]

THE COMMISSIONER: Mr Buchanan.

MR BUCHANAN: Mr Vasil, if he could return to the witness box, please.  
10 Commissioner, Mr Vasil, I was asking you about a series of pages that were  
located in your office that are reproduced in Exhibit 51, volume 5, pages  
131 through to 134.---Yes.

And you have a copy of it there, do you?---Yes, yes.

And you were telling us that you don't think this was prepared by Mr  
Hawatt, you think it was prepared by you or rather by someone typing it at  
your request.---All these issues here are things that I have over time had  
possibly interested in. Now, where my mind works, if I see an issue, if I  
20 think of an issue I write it down on a piece of paper, throw it in the file - - -

Yes, you told us that.---Yes.

You told us that.---And then because - - -

Thank you very much. But this is what I'm asking you to - - -?---Yes, yes.

- - - take into account is that this is four pages - - -?---That's correct.

30 - - - that all appear to have been prepared under a separate subject heading  
- - -?---That's correct.

- - - but they seem to be associated with each other.---That's correct.

And so they look as if they were all prepared, if not on the same day - - -?  
---Yes.

- - - then certainly on the same set of days.---That's what I would have done.  
I would have got all those pieces of paper together and I would have tidied  
40 them up.

And did you do that or would you have done that in order to assist Mr Stavris  
in understanding what it was that needed to be done?---No, I don't believe  
so, because the way this reads, it's only me who can understand it. It's not  
something that you would give to somebody else, you, it's not something  
you would give to a town planner and the town planner would understand  
these things.

THE COMMISSIONER: Mr Vasil, can I ask you to move a little bit forward to the mic.---Yes, sorry, sorry, sorry.

Thank you.

THE WITNESS: So I have absolutely no recollection of giving this to Mr Stavis or giving it to Michael Hawatt because it's not something that a person can pick up and understand what this is all about.

10 MR BUCHANAN: Was it prepared by you and Michael Hawatt together?  
---I'm sure Michael Hawatt, I don't remember Michael Hawatt having anything to do with this.

But he had an interest in similar topics, didn't he?---He had an interest in, in, in planning, that is correct.

He had. And he had an interest in these particular topics at Canterbury City Council, didn't he?---I don't know whether he had an interest in these particular ones, but some of this, looking at them now, they, they seem to be  
20 silly to me.

They seem to be?---Silly.

I'm, I'm - - -

THE COMMISSIONER: Silly.

MR BUCHANAN: Similar?---Silly.

30 THE COMMISSIONER: No, silly, s-i-l-l-y.

MR BUCHANAN: Silly.---Yes.

THE COMMISSIONER: Yes.

MR BUCHANAN: Oh, right.---I can take you to one if you like.

No. Can I ask you to help me by reading out the handwriting - - -?---Yes.

40 - - - that you've agreed is yours - - -?---Yes.

- - - on the second half of page 131.---Yes. When this was put together - - -

No, no, no, no.---Sorry.

I can read myself that the first two words are Gateway Determination, so I'm expecting you to say, Gateway Determination - - -?---Yes.

- - - and then read out the rest of it.---Okay. “Gateway Determination, give delegate authority DA to be” - - -

Accepted?---“Accepted, processed, what sent to department of and feedback.”

THE COMMISSIONER: Sorry, say that again, “What sent?”---What I’m reading here, can’t even read my own handwriting.

10 MR BUCHANAN: “What sent to department and feedback.”---What sent to department development and feedback.

THE COMMISSIONER: Okay.

MR BUCHANAN: Well, no.---Sorry?

The word development isn’t there. It says - - -?---No, department, department.

20 - - -“What sent to department” - - -?---Department.

- - -“and feedback.”---Feedback, correct.

Now, the next paragraph commences, “RMS meetings organised - - -?  
---Meetings organised.

- - - “with.” What’s the next word, what does the next line read?  
---(No Audible Reply)

30 THE COMMISSIONER: Engineer?---Engineer, engineer, could be “Engineer responsible.”

MR BUCHANAN: Thank you, yes, I think you’re right. Yes. The next two words?---“Front setbacks, laneways and 20-year study.”

THE COMMISSIONER: Sorry?

MR BUCHANAN: 20-year study?---Yes.

40 And I just want to confirm for the record, it comprises two paragraphs and the first paragraph, the second line, the two words that appear there are, I’m sorry, three words, no, two words, “Delegated authority.”---“Gateway Determination, give delegate authority.”

Is that correct?---Correct.

Thank you.---And that’s what I just said.

Thank you for your assistance with that. Can I ask you to go to page 135 in volume 5 of Exhibit 52.---Yes.

You can see this is a copy of an email.---Yes.

It is sent from your son's email account - - -?---Yes.

- - - to Michael Hawatt's private - - -?---Correct.

10 - - - email account - - -?---Correct.

- - - dated 4 March, 2015.---Yes.

Do you see that?---Yes.

And the opening two words are, "Hi, Spiro."---Yes, I see that.

And you can see that it's signed Michael Hawatt?---Yes.

20 What can you tell us about this email?---I do not know anything about this. I do not remember this email. I can't tell you anything about it.

I just want to draw your attention to the fact that there seems to be some overlap in the subject matter, if not the precise contents, between the document that you've told us you don't think Michael Hawatt prepared - - -?---Yes.

- - - pages 131 to 134, but you yourself prepared or caused to be prepared - - -?---Yes, yes.

30 - - - and this email.---Yes.

For example, "Laneways behind properties along Canterbury Road." That's the fourth dot, I'm sorry, the third dot point - - - ?---Yes.

- - - on page 135.---Yes.

Do you see that? Page - - -

40 MR DREWETT: Commissioner, I'm sorry to interrupt.

THE COMMISSIONER: I'm sorry, Mr Drewett.

MR DREWETT: With respect, that was not a correct reading of what is the third dot point. It is not laneways, it is lanes.

MR BUCHANAN: I do apologise, thank you very much. I do appreciate my friend's correction there. It reads "Lanes behind properties along Canterbury Road."

THE COMMISSIONER: Sorry, Mr Vasil, have you got the right page?---  
Sorry.

Sorry, what - - - ?---Which page, sir?

10 MR BUCHANAN: If you can see - - - ?---Yes.

- - - on the screen?---Yes, yes, yes, I've got that.

It's slightly larger print on the screen.---Yes. Yes.

And can you see that it's addressed "Hi Spiro"?---Yeah.

"Amongst other things, some of the issues that we would like to discuss tomorrow night are", and then it has a list of dot points.---Yes.

20

The third dot point is "Lanes behind properties along Canterbury Road".  
---Yes.

And then if we go back to page 131.---Yes.

You look at the third major line and it reads "Act on the lane proposals, as per the resolution dated 23 October 2014".---Yes.

If you go back to page 135.---Yes.

30

The next dot point after the one we just looked at reads, "RMS requirements, see extraordinary meeting 2<sup>nd</sup> October, 2014."---Yes.

Page 131 there's a reference in the material that you read out to RMS meetings. Do you see that?---Yes.

But can I go up, take you up to the second major line, "Act on the resolutions of council meeting 2<sup>nd</sup> October, 2014".---Yes.

40 That's the same meeting, apparently, as is referred to in the fourth dot point of Michael Hawatt's email to Spiro sent by your son, or sent by - - - ?---Yes.

Through your son's email address.---Yes.

The next item on that same page, 135, "Transition zones between commercial and residential". If you go to page 134 of this volume, the fourth dot point up, "Consider increasing densities and height at the rear of

the commercial zones. This is to act as an interface transition between the commercial and residential zones.”---Yes.

It’s the same subject, isn’t it?---The same subject, possibly.

Can I take you to the third dot point from the bottom on page 135.---Yes.

It’s probably easier to read on the screen if you're having any difficulty reading - - - ?---Yes. Yes.

10

- - - the print on the paper, Mr Vasil. That reads, third dot point from the bottom, “Mark Adler’s motion 11 December 2014 re LEP/DCP review and forming a planning panel.” Do you see that?---Yes, yes.

Can I take you to page 131, and the last two lines that are printed, computer printed on page 131 read, “Set up a working group of councillors to conduct a review of the LEP and DCP of council as per resolution of council dated 11 December 2014”.---Yes.

20

Do you see that? That seems to overlap considerably the third dot point from the bottom on page 135.---Yes.

Do you agree? And can I just take you to the second last dot point of page 135? It reads “Council resolution re separation DCP into various chapters for different zones and uses”. Do you see that?---Yes.

You go to page 131. The third last printed line on page 131, “Act on DCP resolution” dated 23<sup>rd</sup> October 2017, relating to DCP chapters.---Yes.

30

Do you see that?---Yes.

So there’s a substantial degree of overlap, isn’t there, between the email that looks as if your son sent to Michael Hawatt for him to send on to Spiro, doesn't it? And your, the agenda which you’ve told us you think you’ve prepared at pages 131 to 134.---As far as I remember, and I don’t exactly remember printing this up but this issues, 131 to 134 are issues that I would have been discussing at the time, these are very common issues that every councillor was aware of, so this is just common knowledge about some of my specific issues to myself.

40

There’s plainly a relationship between the four pages 131 to 134 and the email that looks as if it’s sent by your son on the 4<sup>th</sup> of March to Michael Hawatt. Don’t you agree?---These are issues - - -

No, no, no.---Yes, yes, okay.

Do you agree or not?---There are similarities.

There is a relationship between them?---There's a similarity here, yes.

And the explanation for the fact that there are similarities is there is a relationship between them. That's the explanation, isn't it?---There's a similarity there, I don't know what the relationship between the two documents were.

10 The question is, how did the material that is in what you have said is your document end up in your son's email to Michael Hawatt?---Okay. Michael used to come in the office, we used to discuss different issues. Whatever he did with the material, that was totally up to him.

And is this an explanation for pages 131 to 134 or an explanation for page 135?---As I said, 131 to 134, I don't remember giving it to Spiro Stavis, I don't remember giving it to Michael but it is possible. If it's not, these are not, these are just general issues.

20 THE COMMISSIONER: So it may be possible?---That's what I mentioned before. Yeah, sorry.

It may be possible that you gave it to either Mr Hawatt or Mr Stavis.---It's possible but I don't think, this is not a document that I would give to a town planner, to a town planner who is, you know, but I don't remember when this was put together so I don't remember if I gave it to Michael or if I gave it to Spiro, I don't remember.

MR BUCHANAN: But these are plainly town planning issues, aren't they?---That is correct.

30 So why wouldn't you give it to a town planner, particularly one that was taking over as the new director of city planning at Canterbury Council? ---Because the new town planner, when he goes there, there's a causally sheet that he's, that he would understand what is outstanding, what needs to be done and that sort of thing. He's got all the material in front of him.

Can you explain why your son would've sent the email that's on page 135 to Michael Hawatt?---I don't know anything about this. I do not remember anything about this.

40 Did you use your son's email account to send that email to Michael Hawatt?---I, I, first of all I can't type, so, there's no possibility.

Did you ask, did you ask someone else to type it?---I do not recall anything about this, because this did not - - -

Did Michael Hawatt use your son's email account to send that email to himself?---I, I don't know what they were doing between themselves.

Did you, in the time that Spiro Stavis had just started at, actually started work at council, have a meeting with Michael Hawatt and put together a list of issues that, as far as you and Michael Hawatt were concerned, should be addressed by Spiro Stavis?---I'm sorry, did myself and Michael Hawatt met, or - - -

Yes.---No, no, I've never met with Michael Hawatt and Spiro Stavis to discuss planning matters.

10 No. Did you meet with Michael Hawatt in order to provide this list of issues for Spiro Stavis?---I do not remember discussing - - -

To give him the work plans?---I do not remember, this is not a work plan. This is not a work plan. I do not remember ever sitting down with Michael Hawatt to prepare a list like this.

And can I just ask you in the email that is from your son's email account to Michael Hawatt on page 135, the opening line after "Hi Spiro", is "Amongst other things, some of the issues that we would like to discuss tomorrow night are", who do you understand was referred to by the word "we" in that line?---I can't answer for somebody else, I don't know who that's referring to.

20 Were you at a meeting that took place on the night or the evening of 5 March, 2015 at Canterbury Leagues Club with Spiro Stavis, Michael Hawatt, Jim Montague and Pierre Azzi?---No, I was not.

Did you know that the meeting was going to occur?---I don't know if I even knew the meeting was going to occur but I found out about it later.

30 Who did you find out from?---It was probably Michael.

Not from your son?---No, no, not from my son.

Because your son was there as well.---Yes.

You found out that when you heard him give that evidence, did you?  
---Yeah, I found out now that he was there, yes. Mr Buchanan, may I say again, I do not discuss issues with my son relating to council matters unless he asks me or something. I wouldn't interfere in his work.

40 Your son didn't understand planning issues, did he?---To a limited extent, that's all I can say. I don't know what he understood and what he did not understand about it.

He wasn't interested in planning issues either, was he?---That's something between him and Michael and the council. I can't answer for him.

Your son lived with you until how old was he?---Oh, he lived with me, correct, yes.

For how many years?---Oh, he used to live in Belmore, from what I remember, live in Belmore sometimes and he had it furnished.

For how long did he live with you, Mr Vasil?---He lived ah, maybe 30 years.

10 In that time you would have discovered, wouldn't you, that he had no interest in planning issues?---He had an interest in, he had an interest in sporting issues but it's not something that I discussed with him. I don't know what he knew, what he didn't know, it's not - - -

That's simply not plausible, Mr Vasil, I want to suggest to you.---I don't know what my son knew and what he didn't know.

20 Did you have a good relationship with your son?---Just like every father, you don't discuss anything with your son, he doesn't discuss anything with you. That's the relationship.

That's not the question I asked.---Okay.

Did you have a good relationship with him?---Okay, in which respect? That's what I - - -

30 A cordial relationship in which you enjoyed each other's company?  
---We've never sat down to discuss issues, have conversations, he wasn't that type.

Did you have a cordial relationship in which you enjoyed each other's company?---That was no such thing sitting down and discussing things or even dinner, he would go in and have his dinner, he would go out, he would go to the gym, it was very distant relationship with my son.

So what was your opinion about him standing for council?---My opinion, okay, give it a go, it's a good idea.

40 And so you did discuss that with him?---At the time when he was decided that he was going to run for council he had an interest in the bike track in Cooks River, he had interest in sporting facilities, and I think his brochure that he had, he wanted to create a little bike track for little kids, things like that. That's what his interest was.

You knew that if he stood for council he would be called upon to exercise his vote on more issues than just sports facilities, didn't you?---That's what a councillor does, yes.

Yes. And indeed sports facilities would be a very small part of the subjects that a councillor is called upon to exercise their vote, wouldn't they?

---Well, obviously.

And did you think that if your son became a councillor that would be a good thing because he could work with Michael on the issues that you and Michael were interested in?---Definitely not, because when he got in there were three councillors, three Labor councillors, there were six Labor, Labor had control of it and there was one Green.

10

Why does that mean – I withdraw that.---Yes.

Why does that mean that you didn't think that if your son stood for council that he could work with Michael Hawatt on the subjects that you and Michael were interested in?---That never crossed my mind. Never crossed my mind. The subject that Michael was interested in is very limited. He was a friend, he wasn't, I wasn't his mentor or anything like that.

20

Obviously if he stood for the Liberal Party then Michael Hawatt, being a Liberal Party councillor, Michael Hawatt would be able to provide guidance to your son as to how he should vote. Correct?---How he should vote, I never got involved with that, how Michael should - - -

No, that's not - - - ?---Yes.

That's not what, that's not - - - ?---Yes. Yes.

- - - what I've asked you.---What is it?

30

It was obvious to you at the time that Con Vasiliades stood for council that he would be able to be guided by Michael Hawatt as to how he, another liberal party councillor, exercised his vote.---I don't know.

Isn't that the case?---I don't know how that would have worked.

That was obvious to you, I suggest.---What was obvious is that the Labor councillors got together to discuss things, the Liberal councillors got together to discuss things, I was not getting involved with issues in terms of DAs and things like that, it wasn't my interest.

40

But you know, don't you, that councillors more than occasionally met in your office.---A few times, a few times.

That included your son.---On occasions it included, yes.

With Michael Hawatt.---With Michael Hawatt.

Councillor Nam.---Yes.

Councillor Kebbe.---Yes. Yes.

Other councillors.---Adler was in the office sometimes, yes.

Can I take you, please, to a document I tried to take you to earlier but we didn't quite have enough copies.---Yes.

What I called the motions folder?---Yes. Yes.

10

Did I take them back, or?

THE COMMISSIONER: I've got my motions folder.

MR BUCHANAN: Could I just ask if we check that the witness has got his, thank you. Mr Vasil, you told us about what this was, you've just, it was, it was a repository for pieces of paper on which you scribbled random thoughts.---I'm sorry, which one was that?

20

Sorry, have you got a - - - ?---Yes, yes, yes, yes.

- - - a folder?---Yes.

It should have in it - - - ?---Yes.

- - - a copy of - - - ?---Yes.

- - - a manila folder - - - ?---Yes.

30

- - - with the word "motions" down the side.---That's correct.

Which was, if you put it in a filing cabinet, would be around the other way.---Yes.

You'd be able to see this is the motions folder.---Right. Yes.

Do you see that?---Yes, correct.

And then if you start flipping through it - - - ?---Mmm hmm.

40

- - - you can see all sorts of sheets of paper, some typewritten, some handwritten.---That's correct, yes.

And you recognise your handwriting on lots of those sheets of paper.---Yes. Yes.

Now, you kept a motions folder because you wanted to keep in one place, in the first instance, documents on which you were writing that related to

motions that were being considered for Canterbury City Council, didn't you?---What I did with this particular folders - - -

Is that yes or no?---Well, I'd like to explain how it got together.

Is my, is what I - - - ?---Yes.

- - - put to you correct or incorrect?---Sorry.

10 You didn't listen to the question in the first place.

THE COMMISSIONER: Mr Vasil.---Yes. Yes.

Listen to the question.---Yes.

Answer it.---Yes.

If you need to explain something - - - ?---Yes. Yes.

20 - - - either I'll allow you to or Mr Neill can come back and ask you some questions about it.---Yes. Okay. Okay.

Okay.---Okay.

Mr Buchanan, can you put the question again?

MR BUCHANAN: Yes. You, you kept this folder so that you could have in one place documents relating to motions to be moved or that had been moved at Canterbury City Council, didn't you?---Well, this is where I'd like to explain, because - - -

30

THE COMMISSIONER: Do you agree or not?

MR BUCHANAN: Is the answer yes or no?---Yes.

THE COMMISSIONER: Let's start. Do you agree with that description of what - - -

MR BUCHANAN: What you kept this folder for in the first place.

40

THE COMMISSIONER: - - - the purpose of the folder or not?---Well that's what I'm trying to explain how this folder came into being.

No, no, no.

MR BUCHANAN: All right. Yes.

THE COMMISSIONER: Do you agree with Mr Buchanan's description or not?---Well eventually that's what happened with this folder.

All right.

MR BUCHANAN: When did you - - - ?---Okay.

- - - put the word "motions" on it?---Sorry?

10 When it had paper in it or before it had paper in it?---Okay. This is - - -

No, no, no. When did you put the word "motions" on the manila cardboard?---When the, all this material was put together, some time I think in possibly early 2016 when there was a young lady who was working there and during this school holidays, and decided to put all these pieces of paper that I had all over the place, decided to put them in some sort of an order.

The word "motions" - - - ?---Yes.

20 - - - on the manila cardboard, though - - - ?---Yes.

- - - is in your handwriting, isn't it?---Yes. Yes. Yes. Correct.

Now, when did she do that?---I believe it was - - -

The year.---January, February, I think it was 2016, I think it was about that time.

2016.---Yes. Yes. Yes.

30 I see. And who put all the pieces of paper in?---Her name was - - -

No, no, no, that's not the question I asked you. Who put all these pieces of paper in? I apologise.---Yeah, okay.

I shouldn't have said that.---Yes.

40 I, I apologise. Who put all the papers of paper into the folder?---Okay. The young lady who was there tried to tidy things up and basically just putting things together.

And you didn't put any of them in?---I didn't, I don't believe I put any of them in but I was assisting her to put things together. I don't remember exactly how it happened.

And did you put pieces of paper in afterwards as well?---I don't recall if I did or not, no.

The first piece, can I take you to page 4? We've gone and added page numbers.---Yes.

From 1 through to the end.---Yes.

So I'm going to be referring to those page numbers.---Mmm hmm.

Can I just take you to page 10?---Yes.

- 10 Could you please read to us the three pieces of writing that are on that page?---Okay. From what I can read, "Lara, did a person from this council ring former employees?"

Thank you, the second piece of writing.---"Tell the paper that the union person was there."

Thank you, the third piece of writing.---"Ask the mayor about Il Buco GM, tell people that he went by himself, has to vacate chair."

- 20 Thank you. Can I ask you about the second piece of writing? Sorry, I withdraw that question. These are all your handwriting?---Yes.

So you made these notes?---With a couple of other people sitting with me from time to time.

Right. So, tell the papers, that's the newspapers? That's what it means, the newspapers?---That's what it may have been, yes.

- 30 Was there anything else that it meant?---No, that's papers, yeah.

It means give the publicity, doesn't it, to the fact that a union person was present?---Yes. That's what it would mean, yes.

And there was an issue about the involvement of the union in meetings and, in fact, even people being present in the public gallery or even demonstrations around the time that Mr Montague's position was being considered by council.---From what I remember, that's correct. Yes.

- 40 Yes. And as far as you were concerned, the papers should be told that a union person was there.---At the time of writing this, I did not know what my thinking was.

Well, wasn't it your opinion to tell the papers that the union person was there?---Not necessarily my opinion, that may not have come from my opinion.

Well, don't you recall?---No, I don't.

I'm sorry, Commissioner.

THE COMMISSIONER: I missed that.

MR BUCHANAN: That wasn't necessarily the witness's opinion.

THE COMMISSIONER: Thank you.

10 MR BUCHANAN: Are you saying that that wasn't your opinion?---I don't recall that being my opinion but I could possibly explain how that got there.

No.---Okay.

I'll go to the third piece of writing.---Yes. Yes.

When you say "ask the mayor about Il Buco, GM told people that he met"?  
---He went by himself.

20 Thank you, "went by himself, has to vacate chair".---Yes.

Those are your thoughts, aren't they?---Not necessarily. I don't even know what that means.

No, no, no. Aren't they your thoughts?---Not necessarily, no.

Are you saying that about all the pieces of paper in here where they're hand written that they're not necessarily your thoughts?---I'm not saying all of them but, you know, if you allow me to explain I can explain.

30 Well, are you saying you have a memory of writing this and what your thoughts were at the time?---I would have written this but I don't have any memory of what my thoughts were at the time.

Why did you write it?---Okay. Because at the time of all these things happening, there were two people that, other than councillors, that I was discussing things with. They had their opinion, sometimes I would just get the habit of just scribbling things out. This is my habit.

40 People make notes for a reason, Mr Vasil.---Yes. That is correct. This is pieces of paper that I would've written things down, no action was taken on this things.

These are suggestions as to tactics to be adopted at council meetings. Isn't that correct?---Not, not from what I recall, no, this was not something to be given to anyone.

No, no.---Yes.

That's not what I asked.---Yes, yes.

A reasonable description - - -?---Yes.

- - - of certainly the last item is, it's tactics, isn't it, to be adopted at the council meeting?---I wrote that down, I don't remember why I wrote it, I don't even remember this, this - - -

10 But you agree now that you read it - - -?---Yes, yes.

- - - it is tactics to be adopted at the council meeting?---Somebody was to ask this question possibly, yes.

Can I take you to another page, please.---Yes.

Page 12. You made two notes here.---Yes.

“Report to ICAC Michael.”---Yes.

20 What did that mean?---Okay. What we could have possibly heard is that Michael was reported to, to ICAC.

And then the next piece of writing reads, “Withdraw from Lakemba.”---Yes.

Does that mean withdraw as Liberal candidate for the seat of Lakemba?  
---That's what it could have meant at the time.

30 So is that a note you made when the possibility or the decision was discussed in your presence with Michael Hawatt in your office that as a result of the report being made to ICAC he needs to withdraw as Liberal Party candidate for the seat of Lakemba?---From what I remember it was somebody else who I was with possibly, because these things would not be coming from Michael, it would be coming from somebody else.

I'm sorry?---This would be coming from, this would be suggestions coming from somebody else.

40 Why not from Michael?---Because this is what was thought about possibly telling Michael.

You know that Michael Hawatt did withdraw as the Liberal Party candidate for Lakemba?---Yes, I did, yes.

Excuse me a moment. If I can just take you to another page. Can I take you to, please, page 27. Can I ask you to read these three pieces of writing that appear there.---Yes.

First dot point, what does that say?---(No Audible Reply)

“The cost to council of meeting in Town Hall?”---Yes.

The second piece of writing reads, “337.”---Yes.

And what about the third piece of writing?---Ah - - -

“Also not do anything which places council in financial liability without the approval of council?”---That’s correct, yes.

10

This is all about the decision of Mr Montague not to honour the offer of employment as director of city planning to Mr Stavis, isn’t it?---This would have been after Mr Stavis gave me that information, gave all those things to me, yes.

337 is a reference to the section in the Local Government Act?---From what I remember I feel that the person who gave me this section would have been Nick Katris.

20 Would be?---Nick Katris.

Well, can I just point out that there are numerous references to 337 all the way through these papers?---That is correct, that is correct, yes.

Yes. And you made those references because section 337 was the provision of the Local Government Act to confer the power on the general manager to appoint senior staff in consultation with council.---That’s what I understand now, yes.

30 And you thought that was a very significant matter, didn’t you?---Hiring and firing of staff is obviously a significant matter for the general manager.

But you made a reference on page 33 to 337.---Yes.

You made a reference on page 37 to 337.---Yes.

There’s a reference on page 62 at the top of the page to section 337 of the LGA - - -?---62?

40 - - - the Local Government Act, in your handwriting.---Yes, yes.

So this is a matter that concerned you, the legal authority of the general manager to appoint a person to the position of director of city planning in consultation with council, wasn’t it?---This, this is a matter where I thought everybody was getting it wrong. Michael Hawatt was putting up a motion to sack the general manager, the general manager was saying that he was withdrawing his offer of employment when in my opinion, and Spiro Stavis’ solicitor eventually came up with that there was a contract, so the general

manager could not repudiate the contract. The only way he could make a decision in terminating Spiro Stavis was to have a council meeting. He was the only authority who had the authority to, to, to fire and hire. So what they were doing to me was totally irrelevant, they were getting it all wrong, that was my view, that's what I thought.

But you were on the side of Michael Hawatt and Pierre Azzi in this, weren't you?---I, no, no, no, I was - - -

10 You wanted to pressure Jim Montague to honour the offer of employment to Spiro Stavis, didn't you?---No, because as far as I was concerned there was no offer of employment in place. There was a contract. The only way that Spiro Stavis could've been sacked is by going to a council meeting, the general manager making a decision. That was my view, it didn't, it was not pressure on anybody.

Can I ask you to go to page 30, please. Pages 30 through to 32.---Yes, 33 to 32, yes.

20 So, I appreciate there's quite a bit of writing there on those three pages.---Yes.

But where did these pieces of paper come from?---Okay. When they were having meetings - - -

No, no. Where did the pieces of paper come from?---They were left behind in my office.

30 By whom?---When councillors were having meetings, the Commission would know how messy my office is, they left papers behind.

So, the councillors that were involved in the campaign to force Mr Montague to honour his offer of employment to Mr Stavis were meeting in your office during the controversy between them and Mr Montague.---I don't know - - -

That's right, isn't it?---I don't know what, before the, before the meeting of the 27<sup>th</sup>, I don't believe any councillors met in my office to discuss this issue.

40 Before meeting on the 27<sup>th</sup> of January, 2015?---Yes, I don't, I don't believe any of the councillors met to discuss that issue. These were subsequent, these must have been subsequent meetings that they had.

Page 33.---Yes.

There's a number of different subjects that are noted here. The first one is 17M, meaning 17 metres.---Seventeen metres, yes.

That's a reference to Homer Street.---That is correct, yes.

And then Section 337, recurs in the middle of the page.---Yes.

And then if you could go over, please, to page 34, this is a two page document.---Yes.

10 Do you recognise that handwriting?---I recognise that handwriting only because it's so distinctive.

Yes. Whose is it?---It's Barbara Coorey's.

Thank you. Can I ask you then to go to - - - ?---I, I believe it to be Barbara Coorey's because - - -

Thank you.---Because of the subject matter there.

20 Yes, yes. I'm not asking you any further questions about it.---Yes.

I've accepted what you have to say about that, thank you.---Yes.

Can I ask you please then to go to page 38?---Yes.

And this is a set of minutes, pages 38 to 40.---Yes.

Of that, of the second part of the meeting that occurred at council on the 27<sup>th</sup> of January, 2015.---Yes.

30 Do you recognise them?---Yes, I do. Yes.

And how did they come to be in your motions folder?---Again, papers left behind when councillors were there, left behind, they were in the, there's papers because the young lady was just putting things together. Anything that related to council, just putting them together.

And can I just ask you to go to page 40.---Yes.

40 In January 2015, when this controversy was afoot - - - ?---Yes.

- - - did you have meetings with councillors comprising Michael Hawatt? Was Michael Hawatt at these meetings?---At these meetings, I don't, yes, yes, I don't remember which councillors were - - -

Thank you. I'm talking about meetings that were at your office, okay. ---Yes. Yes. Yes.

Mark Adler. He was present at your office.---On different occasions, different councillors were there. Whether they were all on the same day, I do not recall.

10 Okay. But is it right to say all of these people who were listed and whose signatures appear there on page 40 of this volume, at one time or another, were taking part in a meeting or meetings being held in your office to work out tactics to deal with the controversy with Mr Montague about whether he should keep his job or not?---They were, they had meetings there, I don't know what the tactics exactly where but they were having meetings there.

Weren't you party to these meetings?---I was not party to this meetings. I don't recall being party to this meetings, making any contribution because I saw everything was a mistake, everything was wrong. Whatever they were doing, it was a general manager who had the power to hire and fire a single employee.

Yes. You've told us that.---Yes. Yes.

20 My question is - - - ?---Yes.

- - - weren't you part of these meetings? Weren't you participating in these meetings?---I was not participating in decision making of these meetings.

Thank you. Could you have a look, please, at page 48?---Yeah.

30 Now, at some point, a question arose about the fact that Mr Montague was instructing solicitors to provide legal advice as to council's position in relation to the offer of employment he had made to Mr Stavis.---That's what I understand, yes.

This document here appears to relate to that particular controversy, doesn't it?---The words, yeah, do, yes.

And this particular document appears to be prepared as a motion for a resolution to stop Mr Stavis doing that. I do apologise, to stop Mr Montague doing that.---I don't know how far this went or what happened with this, I've got no idea.

40 What was this piece of paper doing in your office?---Again, I don't know who typed this up and the problem was that these councillors were meeting in my office and they were meeting papers behind. I remember that.

Was this piece of paper typed up by your staff?---It could have been, it could have been typed up by Mark Adler. I cannot remember, I do not remember this.

Was Mark Adler using computers at your office to type up material?---One night I believe he was.

Thank you. Did Mr Hawatt use computers in your office to type up material?---At times, from time to time, I believe he was.

Did he type up that email that was on your son's email account sent to himself on the 4<sup>th</sup> of March?---I don't know.

10 In 2015?---I don't know, don't know.

Now, pages 49 through to 54 - - - ?---Yes.

- - - are basically, if I have my counting right, six copies of the same thing.  
---That is exactly right.

And it's a notice of an extraordinary meeting of council to be held on the 13<sup>th</sup> of February, 2015.---Yes. Whatever it is, yes.

20 What are six copies of the same notice of a meeting of council to be held during this time doing in your motion's folder?---That's exactly right. This would've been left in my office by these councillors who were there. I, I don't know why there'd be six copies, and as I said in those motion folders - - -

Can I just - - - ?---Yes, go on. We were putting things together.

It looks to me, and I, I'm - - - ?---Yes.

30 - - - not putting myself forward as an expert, but it looks like six copies of the one document.---Yes.

And exactly the same copies.---Yes.

Were they, were the copies made in your office?---Probably.

And was it because councillors Kebbe, Adler and Azzi decided that they would give that notice?---I don't know. I don't know the reason why.

40 Can I just ask you to go to page 64? That's your handwriting?---Yes.

Does it, tell me, please correct me if I read it wrong.---Yes.

That, "The acting GM seek legal advice as to Mr S employment contract and act as he deems appropriate."---Yes.

"Or accordingly."---Yes.

And then the words “Employment contract” appear underneath.---Yes.

Why did you write that?---Okay. Because I saw that the councillors were going about it the wrong way and the information I have from Spiro Stavis - - -

Thank you very much. That’ll do.---Yes.

10 You from time to time endeavoured to assist in drafting motions for resolutions by Canterbury Council, didn’t you?---Not endeavouring to assist, if somebody asked for a particular issue, then I would, I would come in and just make a suggestion or assist, yes.

This is a motion, is it, that you drafted?---These were my thoughts but I don’t think this went anywhere.

And - - -?---I don’t think this was ever put up in a council meeting.

20 Thank you. Page 67. This is your handwriting?---Yes, it is.

Please tell me if I make a mistake. Does it read, “If GM terminate employment for reasons which cannot stand up in a court of law he shall personally be liable?”---That was my thoughts, yes.

“There is a contract of employment and in attempting to repudiate a contract he is putting himself in financial liability.”---I think it’s “putting council.”

30 Oh, thank you, thank you. I take that correction. “He is putting council, in financial liability.”---That was my thought at the time, but again I don’t think this went anywhere.

This argument, these two arguments were arguments against the course that Mr Montague had taken in failing to honour his offer of employment to Mr Stavis, weren’t they?---Again this is what I’m saying, there was no failing to honour an employment because there was a contract in place and the - - -

Failing to honour the contract then, we’ll call it that.---Yes.

40 In your view he failed to honour the contract, he was doing the wrong thing. ---No, sir.

He should honour the contract.---No, I didn’t believe that, I didn’t feel he, he didn’t honour the contract. There was a contract in place and the only way that that could be dealt with is by going to a council meeting, tell manager terminating the employment and consulting with council. That was my understanding. It’s clear understanding.

You were essentially on the side of those who were trying to pressure Mr Montague to hire Mr Stavis, weren't you?---No, I was not, because I've discussed this issue with the general manager on a few occasions and I remember what I was doing, I remember what was in my heart.

You wanted Mr Stavis to be hired, didn't you?---No, no, no, not at all, no.

10 And you had an investment in Mr Stavis if only because of the time you'd spent with him on the phone and in meetings.---Mr Buchanan, I saw Mr Stavis at his lowest point. There was absolutely no way that I would have taken advantage of that man. Absolutely no way. I would never have asked him for anything that wasn't in accordance with the proper procedures of – no, I disagree with that totally. I would never take advantage of anybody, especially Mr Stavis that I saw at his lowest point.

Now, you didn't answer my question.---Yes.

But I'll ask you a question about what you just said.---Yes, yes.

20 When you say you saw him at his lowest point, you mean he was distressed when he came to you with the documentation about the offer of employment not being honoured?---When he came to me and I saw what was happening I didn't understand - - -

No, no, no, no, no, no.---Yes, sorry.

Please answer my question.---Yes, yes.

30 You mean when you saw Mr Stavis at his lowest point when he thought he wasn't going to get the job?---When he resigned from another job and he didn't have another job.

No, no.---Yes.

40 When he thought he wasn't going to get the job that he'd applied for and that had been offered to him. That's when you saw him at his lowest point? ---I saw him at his lowest point when he explained to me that he was out of a job, he had a mortgage, he had the kids to look after, his father was having, he was getting treatment for cancer, that's when he was at his lowest point, not that he wasn't going to get the job.

And the reason he mentioned, as you understood it, his mortgage to you was because the question for him was, how was he going to pay it now that he no longer worked for Botany Council and didn't have a job at Canterbury Council.---That is, that is, it's how anybody would look at it. If you're out of a job you're looking at your finances, you'd be looking at how you're going to support your family, of course.

Can I ask you to go to page 73.---Yes.

I think it's the last page in this folder. And do you see at the top of the page it reads, "Public Disclosure Act?"---Yes.

"Code of M Practice," meaning meeting practice.---Yes.

"Unlawful."---Yes.

10 "Reg 248 part 2."---Correct, correct.

"Point of order."---Yes.

What's the word underneath that, please?---Dissent.

Don't worry if you can't read it.---Dissent.

I'm not – defence?---Dissent. I think that's dissent.

20 Dissent?---Yes.

Thank you.---I don't know what - - -

Thank you, no, that makes sense.---Yes.

"238?"---Yes.

"2", as in the digit 2.---Yes.

30 "Unlawful."---Correct.

And then, "How do you show," - - -?---That it was - - -

"That it was in reprisal."---"In reprisal." Yes.

40 And so this is an argument against Mr Montague saying you can't sack me, I made a complaint to ICAC, if you do sack me that will be acting in reprisal for my complaint, isn't it?---No, I didn't think of it in that respect, because this information was being discussed with somebody else who understands these things and who was interested in what was going on.

Who was that somebody else?---It was Barbara Coorey. She was interested. She was a former deputy mayor and she was interested in all these technicalities. I don't know, I don't know these technicalities. I was having discussions with Barbara Coorey, I was having discussions with another gentleman who were, was a former councillor. It was just general discussions. It was not something that I would have done in respect of this

THE COMMISSIONER: Why did you take a note of it, if it was just general discussions?---Because Barbara Coorey and the other gentleman, if I could mention his name - - -

No.---No, okay.

Why did you take a note of it?---Were interested in procedures. I was just trying to understand procedures, that's all.

10 Yes, but why take a note?---Well, possibly this is what was discussed and I just wrote it down, what that was all about. It's not something that I acted on or anything like that. I'm always trying to understand, always trying to learn things. Nothing ever happened with this.

20 MR BUCHANAN: I've been reminded to make up for one of my deficiencies, and that is failing to tender the evidence. Your Honour, I, subject to one matter I tender the folder headed Motions Folder. The matter that needs to, the qualification I need to add is that there is a page that I need to add I think as an additional but duplicate page 13. If, Commissioner, you could have a look at page 13, it's partially obliterated on the right-hand side, and I have for the exhibit and for the Commission a full copy of that page. It's not a page I've taken the witness to, but just in case it was thought that something was being hidden, I wish to add an extra page 13 in whichever way the Commission thinks it's appropriate.

THE COMMISSIONER: Should we put it behind the current page 13 and call it 13A, capital A?

30 MR BUCHANAN: Thank you. Thank you, Commissioner.

THE COMMISSIONER: So the folder entitled Motions Folder, with now a page 13A, which consists of pages 1 to 73 will be Exhibit 83.

**#EXH-083 – MOTIONS FOLDER SEIZED FROM RAY WHITE EARLWOOD OFFICE**

40 MR BUCHANAN: Thank you, Commissioner. Have you still got that copy there and the whole of the folder in front of you?---Yes, yes.

Can I just ask you to go to page 14.---Yes.

There's four pieces of writing there.---Yes.

The third piece of writing reads, "Suspend the GM," doesn't it?---Yes, yes.

Meaning general manager?---Yes.

There seem to have been a lot of notes that you've made - - - ?---Yes.

- - - of things that were being contemplated, or being talked about, to be used against Mr Montague.---Things that were being talked about but not from my, from my side of things to be used against the general manager, otherwise I would not have been attempting to resolve this. I have a habit of just sitting there and just, people talk and I just write things down.

- 10 Could the, excuse me. Could I ask whether the witness could have, if he doesn't still have it, volume 4 of Exhibit 52? And I've finished with the motions folder.---No, I don't have it. Yes.

Exhibit 83.---Sorry, what page was that? Okay, thank you.

If I have the right page number it's 116 that I wanted to take the witness to. Can you see that email, Mr Vasil, dated 5 January, 2015 from Kent R. Johns?---Yes.

- 20 To Michael Hawatt.---Yes.

And it's dated the 5<sup>th</sup> of January, 2015.---Yes.

And it says there's an attachment, a Word document attachment called Canterbury Council.---Yes.

If you turn over the page to 117 - - - ?---Yes.

- 30 - - - can you see there appears to be a letter that extends over a number of pages through to page 122, which is headed Code of Conduct Complaint, and it's addressed to the head office of the Office of Local Government. ---Yes, I see that. Yes.

And the code of conduct complaint says on page 117 that it's about actions of general manager and the mayor of Canterbury City Council.---Yes.

And if you go to page 122, you can see that it's been prepared so that a number of councillors can put their names to it and sign it.---Yes.

- 40 Do you recognise this letter, draft letter?---Well, now I do.

What do you recognise it as? I withdraw the question, Mr Vasil.---Yes. Sorry.

You saw this letter previous to today?---Office of the local, was this a letter that went to the department?

I'm not asking you that.---Okay.

I'm asking you have you seen this document before?---Possibly, I can't recall exactly now.

Right.---Possibly, possibly.

10 Do you remember a code of conduct complaint being discussed that could be made to the Office of Local Government against the mayor and the general manager by a number of councillors?---I think I do remember that there were, they had sent something to the Minister for Local Government.

You do seem to remember it?---I think I remember something like that.

Yes.---But not exactly sure, yes.

And why was it provided to you?---Sorry, was this provided to me?

20 Well that's what I'm asking. If you remember it, how come you saw it? ---When I say I remember something going to the department, I can't recall if I saw this particular document.

Right.---I don't remember this, I remember something went to the department but I don't remember seeing this particular document. I don't remember that. I could have possibly, I don't know.

What it is, I've already given you an indication.---Yes.

30 It's another effort that was being made by various councillors to put pressure on Mr Montague over his failing to honour the offer of employment to Mr Stavis.---I don't know whether this related to that issue. ---I don't know.

Could we show the witness, please, an additional document? Mr Vasil, this is a 14-page document, including a title page cover sheet, which if you turn over to the first page is a record of text messages that were sent to you by Michael Hawatt.---Sorry, this on the second?

I'm sorry?---Second page?

40 Yes, if you look at the second page. It's a record of text messages that were sent to you by Michael Hawatt. Record of text messages sent by you to Michael Hawatt and a record of text messages which refer to you in the message.---Well, I can see that now.

Thank you. And I just want to take you to one of them. On page 4, item 35. Now, just thinking back to the email that I asked you to look at earlier in volume 4 of Exhibit 52, which is an email from Kent Johns to Michael Hawatt at 1.46pm, with apparently, the code of conduct complaint attached

to it in draft form. This is a text message from Kent Johns to Michael Hawatt at 10.23pm and the message that Mr Johns is recorded as sending to Michael Hawatt is, "George Vasil has it." It would tend to suggest that as far as, given the coincidence of dates, given the fact that it's something of a large exercise producing this draft letter, given all the material it draws together and then sets out in a series of arguments, the likelihood is that when Kent Johns says to Michael Hawatt, "George Vasil has it," it's a reference to this draft letter that he sent to Michael Hawatt earlier?---Could possibly be.

10

As you understand it, why would Kent Johns understand that you've got a copy of it?---Okay, very simple, Kent Johns, use to bring his son to the gym in Earlwood to train, and I do recall one time he had some sort of an envelope, and from what I recall, I don't know what was in the envelope, he said, "Can you please give this to Michael." That's what I recall.

And did you open the envelope?---No, no.

20

It was an envelope for you?---No, no, no. It was an envelope to, for Michael.

For Michael?---For Michael, yes, yes.

I see. Could you assist us in understanding - - -?---That's what I remember, that's what I remember, yeah.

30

- - - why, if a hard copy was to be provided, this digital copy would have been sent by Kent Johns to Michael Hawatt earlier in the day?---No. I don't know, I don't know. All I remember is Kent Johns had given me an envelope to give to Michael, that's all I remember. I had nothing to do with the production of this document. That's all I can remember.

You weren't involved at all, in this particular tactic of trying to have a go at Mr Montague through the Office of Local Government, making a code of conduct complaint?---No. I, I do not believe that I had involvement in that whatsoever. It's not something that I would discuss with Kent Johns or other people like that. I don't believe so.

40

THE COMMISSIONER: Sorry, which gym was it?---The Earlwood gym. He had a son.

The one that, Con - - -?---Yes, yes, he used to bring his son. He had a disability and he got him involved in sport and he still brings him just about every day or a few times a week.

MR BUCHANAN: Commissioner, I tender the 14 page schedule of text messages mentioning Mr Vasil, or to or from Mr Vasil and Michael Hawatt.

THE COMMISSIONER: All right. The extraction report, which includes text messages either sent to or from Mr Vasil or mentioning Mr Vasil from the mobile phone belonging to Michael Hawatt is Exhibit 84.

**#EXH-084 – EXTRACTION REPORT OF MESSAGES FROM  
MICHAEL HAWATT’S PHONE EITHER TO OR FROM GEORGE  
VASIL OR MENTIONING GEORGE VASIL**

10

MR BUCHANAN: Thank you, Commissioner. Can I ask you while you have that document, Mr Vasil, to go to page 5, and can you see from item 57 down there appears to be a text message that Mr Hawatt broadcast to a number of councillors?---Yes.

And it says, “Hi all, I am getting a positive feedback to attend at George Vasil’s office to discuss our strategy for our 2.00pm Friday meeting, let me know. Michael.”---Yes.

20

And this is dated 11 February, 2015.---Yes.

As far as you know that meeting took place, did it?---I do not remember any meeting. I, I see the message.

I'm sorry?---I see the message here.

Yes.---But I don't remember - - -

30

Does it come to you as a surprise that that message would be sent to the councillors identified in messages, numbers 57 to 61?---I don’t believe so because as I mentioned before, they, they met in the office a few times. Yes.

Can I ask you to go to page 9 of this schedule? Can I ask you to have a look at item 107? Do you see that that is an email, yeah, text message by Mr Hawatt to you on 25 August, 2015?---Yes.

1.26pm.---Yes.

40

“Hi all, we are meeting at Earlwood, 9.00pm tonight, to discuss council business papers and other matters. Michael Hawatt.”---Yes. Yes.

Now I appreciate we’ve moved ahead considerably in terms of time, this is now August 2015.---Yes.

Does this text come to you as any surprise?---Not really. Again, not really.

Even though other addressees are not identified in this schedule, that because it opens "Hi all" that it was intended to be sent to more than one person.---It appears to be.

And that you'd been copied in because the meeting is taking at your place, or - - - ?---Possibly to let me know what time they were coming.

And, it's fair to say then that whoever he was talking to, are likely to have been other councillors.---That's the assumption I would make.

10

And that all they needed to know about the address of the venue was Earlwood.---That's correct. Yes.

That if one mentioned in that circle to which Michael Hawatt belonged, of councillors at Canterbury Council, Earlwood - - - ?---Yes.

- - - people knew that that meant your office.---Sometimes they would actually meet at Frappe from what I remember.

20 At, sorry, where?---Frappe.

Frappe, yes.---Yes, because this is a 9 o'clock, you know, I, I think, they used to go Earlwood, it's a very social place. You go to the different coffee shops, have something to eat, things like that.

I suggest to you that on any reasonable reading - - - ?---Yes.

- - - given your knowledge of the way your office was the venue for numerous meetings - - - ?---This could've been in the office, yes.

30

- - - that a reference to Earlwood in a text message - - - ?---Yes.

- - - is a reference to your office.---Possibly, yes.

That's all in relation to that.---If I may say so.

Yes.---After the, after the, in the office, they used to go to the coffee shops all around Earlwood so it was more a social thing than - - -

40 THE COMMISSIONER: But why are you being, why are you being sent that text message?---Being in my office, being in my office, just to let me know what time they were coming over. When we say the office, I've got a large office, you know, they were just using a desk at the back.

But why tell you? Because Con would have keys, he could let them in.---He could let them in but Con was the, at his team training and sometimes, you know - - -

So Con wouldn't come to these meetings?---Most of these meetings, Con was not there because he was in the gym, and that's what I remember.

MR BUCHANAN: You were receiving messages like this, can I suggest, sir, because you were part of Mr Hawatt's and Mr Azzi's team on council.  
---No, because, no sir. Because what they were doing on council is council business, I was not getting involved. As far as I recall I was not getting involved in council business other than my, what I was interested in and that was the DCP and a couple of provisions in the LEP at the time which have  
10 been fixed up, the, Marcelo organised to fix those issues up.

Now, after Mr Stavis started work at council - - - ?---Yes.

- - - you met him more than once.---I met him on two occasions.

Only two occasions.---No, no, no, no, I met him on two occasions with Mr Jim Dimopolous.

Mr who?---Jim Dimopolous.  
20

Yes.---Yes. I met him on two occasions.

Any one, any other times you met with Mr Stavis?---I think I would have met him, I could have met him, I could have met him at, at possibly in the pub in Bexley.

Any other occasions?---I don't remember now. I, I know on one occasion his father was looking for a house and he was making inquiries about an auction that we had and that's, I don't remember how many times, I, I did  
30 meet him. Yes.

Just excuse me one moment, please.---Yes. Yes. Yes.

I just need to find a folder.---Yes. Yes. Excuse me, Commissioner, because of my health issues, do you mind if I - - -

THE COMMISSIONER: Would you like a five-minute break?---Yes please, yes. Thank you. Thank you.

40 All right. We'll adjourn for five minutes.---Thank you.

## SHORT ADJOURNMENT

[3.16pm]

MR BUCHANAN: Thank you for that opportunity, Commissioner. Mr Stavis, I might - - -

MR NEIL: Vasil.

MR BUCHANAN: Thank you.

THE COMMISSIONER: Vasil.

MR BUCHANAN: Mr Vasil. I'd like to show you a document, please, that's inside a folder and – Mr Vasil, this is a printout of an electronic record of an electronic diary and you can see that it sets out data against  
10 heading like, “Where, when, until, organiser, required attendees,” and so on.---Sorry, which page, sir?

THE COMMISSIONER: I think it's just general.---Oh, right. Okay.

MR BUCHANAN: If you have a look on the screen, that might be easier to read.---Oh, yes, yes, yes, yes, yes, yes. Yes.

Do you see that?---Yes, yes, yes.

20 And you understand about electronic calendars?---Yes, yes, yes.

That they have data in them as to when people are scheduling meetings and who with and so on?---Yes.

This is a calendar entry that appears to show that a meeting was scheduled for 11.00am to 12.00pm on Tuesday, 2 February, 2016 between you and Spiro Stavris.---Yes. I'm sorry, sir - - -

30 About planning issues.---Yes. The previous question that you asked, I understood it to be, if we met outside of council.

Right. That's okay. You can see that it says that this is going to take place in a meeting room basically at council?---That is correct, yes.

Yes, okay. How many meetings did you have with Mr Stavris at council?  
---Okay, in terms of a planning meeting or, or - - -

40 Any meetings. How many times did you meet Mr Stavris at council?---A few times. A few times, yes.

Now, in this occasion, a meeting was actually scheduled?---Yes.

Do you know how it came to be scheduled?---Yes. If I had a particular DA that needed to be discussed or something like that, I would always ring Eva and make an appointment. It used to go through the normal channels. Now, what this meeting refers to, I, I don't know but you know - - -

And Eva Rahme was Mr Stavis' personal assistant?---Yes, correct. I always used to ring her to arrange time, yes.

And she has labelled the meeting as, "Planning issues," rather than about a particular DA.---Correct. Yes, that's what she's saying here.

10 And that would suggest that you had more than one planning issue that you indicated to Ms Rahme that you wished to discuss with Mr Stavis or that he wished to discuss with you.---I don't know exactly what this was, but there were times that I went into council, yes.

To talk about planning issues with Mr Stavis?---I spoke to him on different occasions. We had a DA for the corner – sorry, when I saw we had a DA, I've got to be careful now, we sold a site on the corner of, by way of an option, on the corner of Canterbury Road and Beamish Street. The prospective purchasers, they paid a fee of I think it was \$600,000 option fee and they were having a pre DA meeting, so whether that related to that or some other things I - - -

20 Well, it doesn't seem so, does it, because Mr Stavis would want to know - - -?---Yes.

- - - so that he can get the file. He would want to know if it was in relation to a particular property.---Oh, yes, yes.

This suggests that you wanted to discuss with him particular issues that you had in your mind about planning generally.---Okay. What was happening at that time, while he was in council - - -

30 This is 2 February, 2016.---While he was in council he was restructuring the DCP and I do remember making some comments about it. If it was in relation to that I don't know, but the only times I went in with him, maybe four, five times, to discuss specific DAs and they were going through the restructure of the DCP and just like previous people in council they would send me, they would send me a list of things that they wanted, they would ask questions, thing like that. I think that's what it may have been relating to.

40 Now, I only intend to take the witness to this one page. It's one of 75 pages of records, it's not 75 records but it's one of 75 pages of calendar entry records. Would it be convenient if I were to tender it now, Commissioner? I do intend to come back to it at a later time with other witnesses.

THE COMMISSIONER: I think it would be best to tender it now.

MR BUCHANAN: My folder is headed Calendar Meetings, I don't know if yours is, Commission.

THE COMMISSIONER: Yes, it is.

MR BUCHANAN: It could be described as that.

THE COMMISSIONER: All right. The folder entitled Calendar Meetings will be Exhibit 85.

**#EXH-085 – CALENDAR MEETINGS**

10

MR BUCHANAN: That I'm told, Commissioner, will go up on the public website this afternoon so that the parties can have access to it.

Did you meet Spiro Stavis at Michael Hawatt's residence with Michael Hawatt after Spiro Stavis started work at Canterbury?---I do not have any such recollection. At Michael Hawatt's residence?

20 At Michael Hawatt's residence, yes.---No, I don't believe I have done that, but again, no recollection of that.

You never attended a dinner there with Michael Hawatt and Spiro Stavis? ---I do not believe I did. No such recollection.

Have you been to Michael Hawatt's residence?---Many times.

You just don't recall Spiro Stavis ever being there?---No, I don't ever recall seeing Spiro Stavis at Michael Hawatt's place.

30 I'm changing the subject now.---Yes, that's okay.

But I'm still asking about Spiro Stavis.---Yes, yes.

By at least late 2015 I want to suggest to you that Spiro Stavis was valuable to you.---I, I, I don't think so, no, no.

He was valuable to your associates who were developers and people who gained an income from developments.---No, sir, he was not associated with developers in that respect.

40

You understood that he signed off on reports to council which made decisions about development and planning?---He made, as I understand it, recommendations that went before council, yes.

And I want to suggest to you that by the end of 2015 he had demonstrated that he would work hard to find solutions for developers when their plans came up against planning controls.---I had no understanding of what he was doing in council because my interaction with him, a few occasions outside

council, and I can explain what that was all about, and in council met with him a few times in council and - - -

Certainly by late 2015 you wanted to keep - - - ?---Yes. Yes.

- - - Spiro Stavis in his position as director of city planning as Canterbury City Council, didn't you?---No, no, there was no such intention. It, it, it made no difference to me who was the director of council, director of planning, it made no difference.

10

Very well.---I don't believe so, I don't believe that.

What I would ask you to do - - - ?---Yes.

- - - is to listen to what is about to be played.---Yes. Yes. Yes.

And it is a recording of a telephone call - - - ?---Yes.

- - - identified as LII 00516.---Yes.

20

And it was recorded on the 17<sup>th</sup> of December, 2015.

**AUDIO RECORDING PLAYED**

**[3.31pm]**

THE WITNESS: Yes.

30 MR BUCHANAN: Mr Vasil, that was your voice answering Michael Hawatt when he said "Hello"?---Yes. Yes. Yes.

And you said, "Michael"?---Yes.

Is that right?---Yes.

Can I ask you about a couple of aspects of that telephone conversation? This is in December 2015.---Yes.

40 And you can see on the screen there at page 6, if we can go to page 6, I'm sorry, at page 1.---Yes.

In the middle of the page, Mr Hawatt is indicating, "You know it's going to be a Canterbury Bankstown 100 per cent".---Yes.

And by that, Mr Hawatt was indicating he was certain - - - ?---Yes.

- - - that the Canterbury Council was going to be amalgamated with the Bankstown Council.---Correct.

And it was in that context, if we can go to page 3, please, that three lines from the bottom of the page you said, "All right, okay, so is Spiro safe in Bankstown?"---Well, I don't remember the conversation but I accept that. Yes.

Yes. So, you were concerned that Spiro be able to keep his job if Canterbury Council was amalgamated with Bankstown Council, weren't you?---Not necessarily, no, no.

10

That's what you said, though.---That's what I said, that - - -

You were asking will he be safe.---That's what I said because there were discussions about who was going to be the directors, and at the time he had the DCP, the, the amended DCP or the restructure of the DCP going on, and I was basically involved with that, and could've asked that question. Yes.

And Mr Hawatt said to you, "We're already, we're gonna protect him", and you said, "Yes".---Ah, well, I was just responding to what he was saying.

20

And then over the page Mr Hawatt said, "We'll protect all the people, that's staff we have". Correct?---What I, what I understand from this is that there was a general discussion, from what I remember, between the two councils but all the staff in Canterbury Council were going to remain there, you know - - -

But your concern in this conversation was with Spiro, he was the only one you mentioned.---I just simply asked him, correct. Yes. Yes.

30

And then you're recorded as saying, "Be careful he doesn't think about", and then - - - ?---Sorry, where, where's that?

Sorry, the second line on page 4.---Yes.

"Be careful he doesn't think about", and then Mr Hawatt over spoke you. ---Yes.

And said, "No, no, no, I told him, I told him."---No, I don't know what that means, don't know what that, I don't remember that, I don't remember the conversation to start with so I don't remember what this means.

40

Your concern seems to have been that Spiro might leave, don't you think? ---I think, I'm not sure what my thinking was at the time. No.

Wasn't there a risk that he might leave because there might be someone else putting above him as director of city planning?---Well, who was, whoever was there, it didn't make any difference to me because I'm not a developer, I

don't lodge DAs, I don't go act for, you know, developers in that respect. It didn't matter to me.

What did you understand Mr Hawatt to mean when he said, "No, I told him. I told him."?---No, I don't know. I don't know what that is.

I tender the audio file and transcript of LII 00516 recorded on the 17<sup>th</sup> of December, 2015.

10 THE COMMISSIONER: The audio file and transcript of LII 00516 recorded on the 17<sup>th</sup> of December, 2015, will be Exhibit 86.

**#EXH-086 – TRANSCRIPT SESSION 516**

MR BUCHANAN: Could I ask, please, that another recording be played, LII number 08114, recorded on the 5<sup>th</sup> of May, 2016.

20

**AUDIO RECORDING PLAYED [3.38pm]**

MR BUCHANAN: Commissioner, can I please tender the audio file and transcript for that recording, LII 08114, recorded on 5 May, 2016.

THE COMMISSIONER: The audio file and transcript of the LII 08114, recorded on 5 May, 2016, will be Exhibit 87.

30

**#EXH-087 – TRANSCRIPT SESSION 8114**

MR BUCHANAN: Now, I'll just ask you a few questions about it, please, Mr Vasil. Can I just, first of all you, do you recall this conversation?---No, I don't, sir.

Do you accept that it's a conversation between you and Mr Hawatt?---Yes, I accept that, yes. Yes, yes.

40

It seems to have been after a meeting that involved at least Spiro Stavis and Michael Hawatt and possibly also Pierre Azzi.---I don't know, I don't know about that.

Do you agree that that would seem to be the case, that he's reporting on the result of a meeting?---I don't know, I, I don't know if that was said.

Well, you seem to understand what he was talking about at the time you were talking to him.---I, I understand what I was talking to him about in the first part of it, yes.

Right. And what was that?---That was the restructure of the DCP.

Yes.---And I, I, just like previous strategic planners, they were getting me to have a look at the restructure of the DCP.

- 10 Well, no. It's about your agenda of restructuring the DCP being implemented, at least in part, by Spiro Stavis at the instigation of Michael Hawatt.---No, I believe that was a resolution of council and they were restructuring the DCP. It was a time where the restructure, the DCP from what I remember took about a year, or at least eight months.

Was there a workshop, a Development Control Plan workshop that was held shortly before this date, the 5<sup>th</sup> of May, 2016?---I don't know, I don't remember that. No.

- 20 Can I just ask you, page 1 - - - ?---Yes.

- - - of the transcript - - - ?---Yes.

- - - in the middle of the page, Mr Hawatt said to you, well first of all you were inquiring how the meeting with Spiro went.---Yes.

So, you already knew that there was scheduled to be a meeting between at least Hawatt and Stavis.---I don't know if I knew.

- 30 You must have, you must have because you asked him how did you go with, and Hawatt finishes your sentence for you with, "Spiro? It went well." And you said, "Yes".---Well, I don't know what that meeting was about, all I remember is that there was a restructure of the DCP and they were getting me involved with that.

And you knew that the meeting was taking place before it took place.---I don't remember, he may have said that he was meeting up with Spiro to discuss the DCP, I don't remember that.

- 40 Now, when, on that page and on the other page, on subsequent pages, there's a discussion between you and him about a particular development or a particular development application, isn't there?---There seems to be, but - - -

And what's that - - - ?---Well, I do not remember it, I honestly do not remember it but I don't know which one.

You don't remember a property with shop top housing, a section which should be in the business zone in your opinion? That's page 2 I'm looking at, now.---Sorry, let me have a look at this. What page is it?

Page 2, over halfway down.---Yes, which, which, which part of it?

“Yeah, yeah. But in the residential he's got shop top housing. That section should be in the business zone.” Is that a reference to a DCP, perhaps?

---That would be a reference to the DCP, yes.

10

Turning over the page, page 3, Mr Hawatt says a bit before half way down, “No, he's happy, he's happy with the pages. I spoke to him about the objectives and the setbacks.” Do you see that?---Yes. Yes. I see that.

That's Spiro he's talking about.---That's correct, yes.

And then he says, “And about that 20-metre wall”.---Yes.

“You know the straight wall they had?”---Yes.

20

That sounds like a particular property.---I don't recall that. No, I don't know, I don't know about that.

This isn't a conversation about the application of the DCP to a particular property?---What day was that?

This is 5 May 2016.---Look, I don't recall anything, any, any development at the time that anybody would've mentioned to me, I, I don't recall that but about that time he was restructuring the DCP, I remember that and I understand what the setbacks were all about, and when the final DCP came in, the controls were actually toughened up, so, and I, I remember there was an issue with the setback, the way that it read is that the setback was only to be in the, for commercial development and not residential development and that was an issue that developers didn't get hold of, otherwise they would've been able to set back further, and I think that was sort of fixed up.

30

The bottom of page 3 and you he discuss this 20-metre issue that you say you don't remember.---I have absolutely no recollection of this - - -

40

You said, “That's stupid,” at the top of page 87.---I, I don't know, I don't remember what that was all about. I don't remember.

And Mr Hawatt said, “I said that is ridiculous. I said, for example, that could create more problems because they'll create an area for kids to play.” What's that a reference to?---Okay, I don't, I don't know. If you could mention some sort of a DA or what was going on at the time, perhaps I could remember but I don't, I can't remember.

Now, in the middle of the page, Mr Hawatt says, “That defeats our objectives.”---Well, I don't know what he means by that because - - -

Well, he’s talking about, using the first person plural, his objectives and someone else’s objectives or some other people’s objectives. You agree with that?---Well - - -

That’s that he’s saying?---He’s saying that there, yes, yes.

10 And is that your objectives and his objectives?---I don't know what that was all about. All I remember is I was involved with a DCP restructure, in terms of, you know, how things were going, I guess, but I don't remember any particular development that I mentioned 20 metres.

At page 5, about three quarters of the way down the page, you say, “That's good, yeah. Yeah, okay. How did you go with the one at Punchbowl?”  
---Yes, I see that now, yes.

20 And is that a reference to a particular application?---I do not remember what that was all about. I don't remember, I don't remember any of this conversation. Could it have been, I don't remember (not transcribable)

Going over to page 7. After discussing this particular property, Mr Hawatt says to you, second line down, “And he said they will end up losing eight units from that.” Now, “He said,” is Spiro Stavis, “They,” is the proprietor or the owner or the developer, isn't it?---Yes, yes, yes. Again, I have no recollection of this.

30 But you agree with me that that’s the only reasonable reading of that sentence, where he says that to you, “He said,” is reference to Spiro Stavis, correct?---He said that to me, yes, yes.

“They will end up losing eight units.” That’s a developer who has plans to erect a building or have rezoning that will accommodate a proposed building that would have residential units in it and that the consequence of what has been discussed is that the developer would lose eight units?---Yes. That’s what I understand here, yes.

40 It sounds like it might be a particular property, doesn't it?---I do not remember discussing any of these rezonings with Michael Hawatt. So, I don't know if he was asking my opinion on something, I don't know.

In the middle of the page, Mr Hawatt says to you, “He said the guy, he’s, he’s a maniac. Is that what he's saying? I said that’s exactly what he’s saying.”---Sorry, where, where is that?

In the middle of the page, Mr Hawatt, “He said the guy, he, he’s” and then he doesn't finish that word, “He’s a maniac. Is that what he's saying? I said

that's exactly what he's saying." Who is the maniac?---I don't know, I don't, I don't recall this. I don't recall it at all.

Now, when Mr Hawatt said, a bit further down, "Anyway, so I'm happy with it and Pierre told him that If I'm happy with it, then he's okay with it, you know?" Did you understand that to mean that Mr Hawatt was reporting to you that Pierre Azzi had been at the same meeting and that - - -?---No, I don't understand what this is. I don't, I really don't understand what this is. I don't remember any of this conversation.

10

But reading it, as you see it there, a reasonable construction of it would be that Pierre Azzi told Spiro Stavis that if Michael Hawatt was happy with it, then Pierre is okay with it.---Yeah, I don't know what they were referring to.

But that is a reasonable reading of it, isn't it?---Well, it could be but I don't know.

Is there any other reading that you can suggest?---I don't remember any of this. I don't understand any of this.

20

Now, looking a few lines below that, where you say, "But is it eight storeys?" And Mr Hawatt says, "It look, it is eight levels but the problem, what, what he's done, and he said that in the, he put a condition in there but it's up to the JRPP." That sounds like a particular property, doesn't it? ---Well, it does. So it must have been an application that was going before the JRPP.

Yes. You identified it as being in Punchbowl - - -?---Okay, yes.

30

- - - in page 5, three-quarters of the way down the page.---Yes. So it would have been a development going to the JRPP and I'm having discussions about that.

And you were asking him about it, so you must have known about it. ---Obviously I must have known about it but I don't remember which property it was in Punchbowl.

Well, did you have a property in Punchbowl that was going to the JRPP? ---No, I didn't.

40

So this must be some other developer's property that you were asking about how it was going, how the application was progressing.---2016 I don't know, I don't know. We haven't, certainly haven't, from my understanding never sold anything in Punchbowl, never had any connection with - - -

But you had developer friends, didn't you?---When you say developer friends, there was people that I knew who were developers.

Yes.---Yes.

And you worked with them, didn't you?---When you say worked with them, we sold some units with people who were developers, of course, yes.

And you can't recall why you wanted to know about how this particular matter at Punchbowl was going?---Okay. If it was something – what I'm saying here, it's up to JRPP. What that was all about I really don't remember.

10

All right. Thank you.---I don't, I don't remember.

Now, can I go down to page 8, please.---Yes, yes, yes.

Almost to the middle of the page, Mr Hawatt says, "So he's, he's, look, he's done the right thing on that one." That's a reference to Spiro Stavis, isn't it? ---Well, I don't know who he's referring to but I don't know what he means by doing the right thing on that one.

20

Well, it means that it's met with Mr Hawatt's satisfaction.---Well, that's what it appears to be, yes.

And you've said, "Yeah, good, okay."---Well, I was responding to what he said.

No, you weren't just responding, you were indicating that it is good that whatever the person "he" has done, has met with Michael Hawatt's satisfaction.---Look I don't - - -

30

That's the thing that you thought was good.---I don't, just, just words, saying words to these things. I don't remember which application it was in Punchbowl, I, I don't know which - - -

I'm putting it to you that when - - -?---Yes, yes.

- - - Mr Hawatt said, "Look, he's done the right thing," he was referring to Spiro Stavis and Spiro Stavis's treatment of a particular application.

---Well, I would have just, just said words. I don't remember. If I don't remember this application, you know, perhaps if you remind me I could possibly make some comments on it.

40

But nevertheless you understand don't you that this is evidence of what you were saying at the time and views that you were expressing at the time, which the Commission can use, will use as evidence in its inquiry, and you are saying, yes, it's good that Stavis, because that's the only inference that can be drawn, according to Mr Hawatt, Stavis has done the right thing on that one.---That's what - - -

MR NEIL: Well, Commissioner, Commissioner, I object to this. In my submission that's not the only inference you can draw. If you look at the words Hawatt, "I don't know what Charlie's done. All right. All right." So he's done the right thing.

MR BUCHANAN: Thank you for drawing my attention to that. Do you see in the third line there a reference to Charlie?---Yes.

10 Who would that be?---The only Charlies I would know is Charlie Hanna and Charlie Demian.

And is Charlie Hanna a developer?---No, he's a plumber, but occasionally he, he does a couple of small developments.

He does a couple of?---Small developments.

Does a couple of small developments?---Yes, yes, yes.

20 Excuse me a moment. This is a major development that you and Mr Hawatt are discussing, and eight-storey development at Punchbowl.---Again, sir, I don't know which one it is. I can't think of a particular development that's eight storeys in Punchbowl. There's one that's already built but it was built before this. It was built before this site and obviously it goes to JRPP, it's something that must be referring to a DA.

30 So, then at point 7, 6 or 7 on page 8, Mr Hawatt says, "I said I'm happy with that if you, if you've addressed all the problems." You said, "Yeah." Mr Hawatt said, "And that was it, you know?" What is that about, who is "you", that's a reference to you, isn't it, you Mr Vasil.---Sorry, which one?

This is at line 7 from the bottom. "I said I'm happy with that if you, if you, if you've addressed all the problems."---I, I would think he was happy with that if the director addressed all the problems, that's how I read it.

Yes.---Because I've got no, I can't resolve any problems.

40 Yes. And then you go onto the next line, next couple of lines. Hawatt says, "And that was it, you know", and you say, "Yeah, good, it's good he's paying attention to you." That's Spiro Stavis, isn't it?---Well, I, I don't know but possibly, possibly that would be what he's referring to.

You see, you had all along hoped that Spiro Stavis would pay attention to what Michael Hawatt wanted him to do, hadn't you?---No, no, no.

And that's why you tried to put him in as director of city planning in the first place.---No, because I had no power to put him in.

And that's why you worked against Mr Montague when Mr Montague tried to not honour his offer of employment to Mr Stavis, isn't it?---No, that is not correct and there was no offer of employment to honour, it was a contract. He had a contract, that's what I was getting at.

Now, at the bottom of that page 8, Mr Hawatt said, "I'm not going to let go, I'm gonna", and then over the page, "put up with the bullshit that we done before with Marcelo." Do you see that?---Yes. I see that.

10 "And I told him about Marcelo, I spoke about the deep soil like what Marcelo did regarding deep soil."---Yes.

Do you recall the issue of deep soil plantings?---No, I don't recall that.

You don't recall an issue of deep soil plantings?---Not, not in commercial zones because there was no, there was no requirement for deep soil planting in commercial zones.

20 An eight-storey development sounds as if it might've been a residential development, doesn't it?---I don't know if there's any eight-storey buildings without commercial, I don't think there are.

I'm not saying it wouldn't have commercial.---Yes.

But it sounds as if at least seven of the storeys would be residential, doesn't it?---That's what that sounds like, yes.

30 Now, what did you understand the reference to "putting up with the bullshit that we done before with Marcelo", to mean?---I don't know. I don't know what that means.

Well, think, sitting there now.---Yes.

What do you think Mr Hawatt meant?---I do not know because I never had any issues with Marcelo and I never knew of any problems with Marcelo, so I don't know.

40 So do you think that Michael Hawatt had problems with Marcelo?---He never mentioned, I don't believe he ever mentioned to me that he had problems with Marcelo. No.

You didn't ever hear that Councillor Hawatt and Councillor Azzi have a lot of problems with Marcelo Occhiuzzi?---I never, I don't believe I ever spoke to them about Marcelo or they reported to me or anything like that, what issues were with Marcelo.

And then you see that three-quarters of the way down, four lines from the bottom, four entries from the bottom, Mr Hawatt says, "I said, bloody

Marcelo, I said, he forced us, he said he was happy with the change before but he still wants something to support it, I mean, I thought, what sort of a dope was that, you know?". It sounds as if he's recounting a conversation with Mr Stavlis about Marcelo, doesn't it?---I don't know. I really do not know what this all about.

10 Now, then at page 10, the top of page 10, Mr Hawatt says, "No, no, but he, at least he's very flexible." And you agree, "Yes, yes, yes". Hawatt, "He understands, you know, it's not too", I'm sorry, "It's not difficult to convince him." You said, "Yes." Hawatt said, "You know something makes sense, common sense, he sees it." That's all a reference to Spiro Stavlis. Isn't it?---It would appear to be. Yes.

20 Yes. And, you were acknowledging with a degree of approval that Spiro Stavlis was, in Mr Hawatt's opinion, very flexible.---The only thing that I know about flexibility, again, is his 79C where you can provide the authority must give, must give alternative reason, must give flexibility and provide alternative reasonable solutions provided with the objective. I can't see any planner be flexible without complying with the DCP and the LEP.

That's not the question I asked you, Mr Vasil.---Yes, yes.

I asked you about your understanding of Michael Hawatt's opinion that Spiro Stavlis was very flexible and that you seemed to agree with that with a degree of approval.---In terms of complying with the Environmental Planning and Assessment Act, that's my understanding. It can't be flexible outside the controls.

30 The conversation that had occurred earlier that Mr Hawatt had recounted to you that he had had apparently with Spiro Stavlis about the DCP would indicate that, as far as Mr Hawatt was concerned, Mr Stavlis was accommodating the issues about the DCP that Mr Hawatt raised with him. ---The DCP finally came - - -

I'm not interested.---Yes. Sorry.

I'm not asking you that.---Sorry, sorry.

40 I'm asking you about your understanding of this conversation as you've heard it played and as you can read this transcript.---Yes.

It's clear that when he's talking about flexibility, amongst other things he's talking about Spiro Stavlis's attitude to issues with the DCP that you had. ---No, I don't understand it to be that way because the DCP that came into effect afterwards was tougher than the DCP that was there before. It's more strict, more controls.

That's not the point. You thought there were inconsistencies in the DCP, didn't you?---There were inconsistencies.

You thought there were - - ?---There were.

- - - and you wanted them eliminated. You wanted them fixed.---There were discrepancies in the DCP.

And were they eliminated and fixed?---Some of them were, yes.

10

Now, then halfway down the page Mr Hawatt says, "You know, it's not that, 'Oh, no, no, no,' you know." And then he went on, "Bloody Mr No-No." That's a reference to Mr Occhiuzzi, isn't it?---I don't know. I don't know.

Well, it's clear, isn't it, that Mr Hawatt thought that you would understand what he meant by "bloody Mr No-No".---All I know is that Mr Occhiuzzi recommended additional two levels in Charles Street, Canterbury. That's all. I never saw Mr Occhiuzzi as - - -

20

You know much more about Mr Occhiuzzi than that, I suggest to you. How long was he the director of city planning?---He was director there since I think 2011.

Yes.---That's, I never had too much - - -

To 2014. So at least three years.---Yes, yes, yes.

About three years?---I think so, yes.

30

And in that time you paid close attention to how Mr Occhiuzzi did his job, didn't you?---No, no.

And he was a person who, if he thought that the application that was being made was contrary to the planning controls, was more likely to say no. ---The planning controls, if you're not complying with planning controls, nobody can say – you can only get a DA approved if you comply with the planning controls.

40

Going then to the second-last line on page 10, you said, "Yeah, did you see Jim? Did Jim mention anything to you?" That would be Jim Montague? ---That's correct, yes.

And so what was it that you were asking Mr Hawatt about in relation to whether Jim said anything to him?---I don't know but occasionally I raised some planning/DCP issues with the general manager just to show him that his staff was getting things wrong. So was it because of that, I don't know.

That's all in relation to that particular recording. Can I ask you this question? You had met Matthew Stewart.---Yes, I have.

When did you first meet him?---Okay. From my recollection now, the first time I met him as general manager for Canterbury-Bankstown - - -

That's not the question I asked you.---Sorry.

I'm not interested in a story.---Yes.

10

When did you first meet Mr Stewart?---General manager, I met him on two occasions.

No, when did you first meet Matthew Stewart?---Okay, sir, can I explain? I'm - - -

20

No, I'm asking you, sir, when did you first meet Matthew Stewart?---From my recollection now, my recollection now, since this started, trying to think where I first met him, not as general manager of Canterbury-Bankstown Council, was in Dubbo.

I'm sorry? In - - -?---Dubbo.

THE COMMISSIONER: Dubbo.---Dubbo.

When?---It would have been towards the end of 2012 or early 2013. I don't remember.

30

MR BUCHANAN: And in the period 2014-2016, what sort of relationship did you have with Matthew Stewart?---He was the son of a friend of mine. In terms of, what personal or DAs or, what do you mean?

Well, you tell us. Did you go to his place for dinner, did he come to your place?---No, no, no, no, no. Just - - -

No. He didn't come to any meetings at your office with the other councillors?---No, never came to any, never - - -

40

So, did you have any dealings with him in relation to development and planning?---Through the Chamber of Commerce, we organised a meeting, we had some issues with the, the Chamber of Commerce had some issues in terms of what they were proposing, some rezonings. They got it all wrong and we just met up with him to sort things out and he had his staff there.

And this was before amalgamation?---No, it was after amalgamation.

After amalgamation.---After amalgamation, yes.

And have you ever had a meeting with him in relation to a particular property?---I don't recall that, no, no. I don't recall that. I don't recall speaking to him about a particular property, no.

Have you had a meeting with him about a specific property?---I don't think so. I don't think so. I don't think it, with a DA in council, I don't think I ever rang him up to talk about a DA, no.

10 Now, I asked you earlier about whether you had any relationship with Ziad and Marwan Chanine and you indicated, essentially that you didn't. Is that right?---Oh, no, no. I said when we were selling the property along Canterbury Road and Beamish Street, yes, I remember that they did contact the office to get some information about that but prior to that, I don't remember having any discussions with them. It's possible, maybe possible but I don't, don't remember that.

20 Have you been to social functions with them, or either of them?---I, I think I would have seen them in social functions but I don't remember which one particular functions.

Can I ask you about December, 2015, just thinking back, if you can, to December, 2015, was there an arrangement on the Friday night of, of 18 December, 2015 for a pre-Christmas, Friday night out at a nightclub called, Ivy in the city?---There was, yes.

And you were party to that, those arrangements?---If I, could have been. I did go to Ivy but I'm not sure if it's that particular day.

30 Was it before Christmas, just before Christmas, 2015?---I don't remember.

Was Michael Hawatt there?---The only person that I went with at that place was Michael Hawatt, yes.

And when you got there, who else was there in your group?---Okay, it was, the only people that I remember is, what's his name? There are two other people, I can't remember their names.

Ziad and Marwan Chanine?---No, no. I don't remember them.

40 You don't remember them being there?---I don't remember them being there, no, no. I don't remember them.

Was an arrangement, as far as the arrangements were concerned, don't worry about who was there, was it arranged, as far as you know, for Pierre Azzi to go?---No, Pierre Azzi never went there. I don't remember, no, no, I've never been with Pierre Azzi there, no.

Was it arranged for Bechara Khouri to go?---No. I don't remember Bechara Khouri being there.

And I'm not asking you about who was there, I asking you about the arrangements that were made for that event.---Yes, I don't remember, I don't even know if I was there that night. I was, I went to one - - -

10 Well, you said you went with Michael Hawatt.---Yes. Other, other times but I'm not, that particular date, I, I went with Michael Hawatt to that club, yes, to that - - -

Yes. And it was called Ivy?---Yes but not that - - -

In the city?---That's correct but I'm not sure if it was that particular date.

Now, can I ask you to listen to another recording, please, LII number 10404, recorded on 1 June, 2016.---1 June, yes.

20 And I'll be asking you, again, whether you recognise the voices.---Yes, yes, that's fine, yes.

**AUDIO RECORDING PLAYED**

**[4.14pm]**

MR BUCHANAN: Commissioner, I tender the audio file and transcript of that recording.

30 THE COMMISSIONER: Right. The audio file and transcript of LII 10404 recorded on 1 June 2016 will be Exhibit 88.

**#EXH-088 – TRANSCRIPT SESSION 10404**

MR BUCHANAN: Mr Vasil, the 1<sup>st</sup> of June, 2016 - - - ?---Yes. Yes.

- - - was after amalgamation had occurred.---Correct. Correct. Correct.

40 Do you understand that?---Yes. Yes.

And "Matt" was a reference to Matthew Stuart.---Matt Stuart, yes.

Do you understand that?---Yes. Yes. Yes.

Do you remember that telephone conversation?---I don't remember the telephone conversation but I think now I remember where I could've spoken to Matt Stuart and I think it was at the Canterbury Leagues Club, there was

some sort of a business meeting that he had organised to discuss what was going to happen within Canterbury and Bankstown, I think that was the meeting.

Yes. Yes.---Right. And I possibly discussed some issues with him, that's the only time that I could possibly think that I discussed anything with Matt Stewart.

10 If we can go to page 2 of the transcript.---Yes. Yes. Yes. And he wasn't at the function, Jim, Jim Montague's function because I think that was from before.

Right. You thanked Michael for asking Bechara for you to come to whatever the meeting was yesterday, it was good?---Look, I don't remember that. Again, I'm not sure if I thanked him for inviting me to Jim's farewell, or, or what, I don't know, I don't know.

20 No. Then - - - ?---Asking Bechara for me to come yesterday was good, to go where, I don't know.

And then you say, "I think Matt's going", sorry, "gonna be okay". Do you see that?---Yes, I see that. Yes.

And Mr Hawatt replies, "I think so, too." And after he talks about Mr Stuart being smart, he says, "He needs to also work with us." You say, "Yeah." Hawatt says, "You know, he knows that." You say, "Yeah."---I'm responding to whatever Michael's saying, I don't know what he means, "working with us", I don't know who is "us".

30 What he means is you and him and Pierre Azzi, doesn't he?---No, definitely not me because I don't get involved with those things, I'm not - - -

You understood, didn't you, that Michael Hawatt was talking about himself and other people and that you would understand what he meant by using the word "us," didn't you?---I don't know, I don't know, I don't recall the phone conversation so I don't, you know, somebody's talking to me on the phone, I just agree with them. I don't know what he was talking about, just general conversation.

40 You didn't ask him, what do you mean by us, did you?---I just go along with things, I don't remember this, no.

You were part of a team, you , Michael Hawatt and Pierre Azzi and sometimes some other people, but certainly you three were the core of a team - - -?---Certainly not.

- - - that worked together.---Certainly not. No, that's not correct, that's not correct. There's no way I was going to influence what was happening with Matt Stewart, that's - - -

Well, it does sound as if you were telling Michael Hawatt about conversations that you'd had with Matthew Stewart in which you were raising some of the issues in which you were interested.---I think I did, if he was at that club I think I did, I did raise some issues with him as to what was happening, council was resolving one thing about the DCP and then the  
10 planners were inserting something else in it, which is correct, and then the, and then I remember Marcelo had to fix it up. I remember that, yes. They were inserting things in the DCP which were never approved by council.

Could the witness be given, or you might still have it, Exhibit 84.---Yes.

The pages of Celebrite extraction.---Yes.

Have you still got that?---Yes, yes.

20 Could I ask you to go to item number 142 on page 11 of Exhibit 84, page 11, item 142.---Yes.

And do you see that it's a record of a text that you sent Michael Hawatt on 3 February?---Oh, sorry, sorry.

I apologise.---Sorry, sorry, sorry. Which number?

Okay. First of all page 11. It's actually on the screen now in front of you.

30 THE COMMISSIONER: It's on the screen.---Oh, right, yes, yes.

MR BUCHANAN: And it's larger print so you might have - - -?---Yes, yes.

Might be easier. The cursor is wiggling underneath 142.---Yes.

You can see that's a record of a text that you sent to Michael Hawatt on 3 February, 2016 at 7.55pm?---Yes.

40 And the message you sent reads, "I have just been told the same thing as yesterday from somebody else. Everybody who supports you will go, including Pierre." Do you see that text?---I see that, yes.

Yes. Are you saying you can't remember that and you don't know what it's about?---Sir, I don't remember and I don't know, I don't know what that is. "Everybody who supports you will go." What does that mean?

Right.---"Including Pierre." I don't know what that means.

Amalgamation was a controversial subject in late 2015/early 2016, wasn't it?---Well, it was an issue, it was a subject.

It was a matter of concern and it was of concern to you, wasn't it?  
---It wasn't a concern to me, no, no.

You know it was of concern to Michael Hawatt, don't you?---Michael Hawatt was in favour of amalgamation with Bankstown, that's what I understand.

10

You were concerned about losing Spiro or losing access to Spiro.  
---No, no, because there was no access to Spiro, never had any, any applications that went to council that I needed Spiro to get involved with, they were just going through the normal channels, as far as I'm concerned.

There were meetings, public meetings that were held about amalgamation proposals, weren't there?---In Bankstown, Bankstown.

20 Do you remember one at West Ashfield Leagues Club?---No, no, no, I wasn't, I didn't go to, I don't remember going to that, no.

Do you remember it being discussed that there would be meetings at West Ashfield Leagues Club about amalgamation?---No, I don't remember that. The only one I went to was Bankstown.

This message that I've drawn your attention to, number 142 - - -?---Sorry, the screen's gone off, sir.

30 Well, you might have it in front of you at page 9.---Yes, yes, yes.

THE COMMISSIONER: It's back.

MR BUCHANAN: It's back on the screen now.---Yes.

40 It reads, "I have just been told," "been told" you intend to say, "the same thing as yesterday from somebody else. Everybody who supports you will go, including Pierre." That wasn't, as far as the second sentence was concerned, a reference to everyone will go to one of these meetings, one of these meetings about amalgamation?---No, I don't remember that. I don't remember that and it's - - -

You seem to think that there was a body of people who supported Michael Hawatt, including Pierre.---In respect of - - -

Well, that's what I wanted to ask you.---Yes, again I don't know.

But you did seem to think that, didn't you, in that second sentence. "Everybody who supports you will go, including Pierre."---Whether it

meant, whether it meant in terms of preselection or what it meant, I don't know.

THE COMMISSIONER: Preselection for what?---Well, when council's amalgamated there had to be a preselection for, preselection for councillors.

But that would be done on political lines, wouldn't it?---That's correct, that's correct, yes.

10 So why would Pierre, a member of the Labor Party, be supporting Mr Hawatt as a member of the Liberal Party in preselection?---Oh, no, no, his members of the, of the branch. Pierre's members from the branch. Again, I don't know - - -

Pierre's a member of the Labor Party, isn't he?---Member of the Labor Party, yes.

And Mr Hawatt's a member of the Liberal Party.---That's correct, yes.

20 So what would Mr Pierre's members be supporting, who would be Labor Party supporters - - -?---No, they would not be supporting. They would not be supporting. Everybody who supports you will go, including Pierre. Oh, no, okay, okay, my thinking now, my thinking, my clearer thinking is that people from the Labor Party who were supporting Michael, that's how I read it, would go. Because Pierre and Adler and everybody else, they were going against the union at one stage.

MR BUCHANAN: Can I make another suggestion to you?---Yes, yes.

30 There's an alternative way you could read this.---Yes.

Amalgamation, it was thought, risked the councillors losing their positions and "everybody who supports you will go, including Pierre" could mean that "You, Michael Hawatt, will lose your position, Pierre will lose his position, and everyone who supports you, Michael, will lose his position on council."---I don't know what that means. I can't tell you what that means.

40 Are you sure you weren't just told something on 3 February, the same as you had been told the day before, that amalgamation was going to involve the councillors losing their jobs?---Well, obviously all councils were going to lose their jobs when amalgamation happened. Again, I can't recall this message. I don't know (not transcribable)

Was that always clearly understood, as in, for example, February 2016? Did everyone know what the government was going to do with amalgamation? ---Well, there were discussions amalgamation that some of the councillors would have been on the council. I don't know exactly what the structure

was going to be, though. I don't know. I don't recall what the structure was going to be.

Can I ask you to go to item 143. It's another text which is sent 10 minutes later to you by Michael Hawatt on 3 February, 2016.---By Michael Hawatt?

Yes.---Yes.

10 Because this is data extracted from Michael Hawatt's phone, so if it's to George Vasil it's coming from Michael Hawatt.---Yes.

Coming from his phone.---Yes.

And the text reads, "Someone is using you to spread rumours to divide the team." Do you see that?---Yes, I see that.

What was that about?---Again I don't remember. I don't know.

20 It would be consistent with the previous message, being a suggestion that you had been told that amalgamation was going to entail the councillors all losing their position.---I don't know. I can't, first of all I don't recall these messages and I don't know what this means.

"The team". Who was the team?---Obviously was referring to what he thought was his team.

He was referring to a team that involved you and him, wasn't he?---No, I don't think so. I don't think - - -

30 And someone was trying to divide, he's saying, you from him.---No, I don't, I don't remember that. I don't think so.

Who else could "the team" be a reference to in the context of the rumour that you were telling him about, particularly if it meant that everyone who supported Michael, including Pierre, was going to lose their position?---I don't know. I don't know if it was a rumour that was against him, against me. I don't recall any of this.

40 And I want to suggest to you that there was in fact a team that involved you and Michael Hawatt and Pierre Azzi, together with the other councillors who voted as Michael and Pierre indicated they should vote.---No, I wasn't part of any team. There was no such thing as a team for me.

And Michael Hawatt was the leader of that team, wasn't he?---No, I don't agree with that. I don't agree. I was no particular team.

Have you got any other suggestion as to whom you could understand Michael Hawatt had been referring to?---No, I - - -

Other than you and Pierre Azzi and himself.---Certainly not me and Pierre Azzi. I don't know who his team was, by "the team". I don't know what he means by that.

Commissioner, I was going to move on to another topic. I have a little bit to go but, yes, I certainly wouldn't finish in half an hour.

10 THE COMMISSIONER: We'll adjourn for the day and recommence at 9.30 tomorrow morning. So we stand adjourned.

**THE WITNESS STOOD DOWN [4.31pm]**

**AT 4.31PM THE MATTER WAS ADJOURNED ACCORDINGLY [4.31pm]**