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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 FRIDAY 29 JUNE, 2018

AT 2.00PM

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THE COMMISSIONER: Mr Chanine.

MR BUCHANAN: Mr Chanine, I was asking you some questions before lunch about the relationship of Mr Khouri to your business and your brother's business. Can I ask you a few more questions on that subject. Did Mr Khouri do any work on the Doorsmart project?---In terms of managing the process, sorry?

If that's what he did.---I don't believe so. I don't believe paid work per se as in engaged.

Did he do any unpaid work on the Doorsmart project?---I don't know.

So does that mean that he didn't do any work on the Doorsmart project for you?---No.

20 That is to say no, he didn't?---Sorry, no, he didn't.

Rightio. And was Mr Khouri remunerated in any way in respect of the Doorsmart project, leaving aside income he might have received by reason of his interest in the partnership?---From the, from us as the designers or as the architectural firm, sorry?

Yes.---No.

30 Right. Did he from Mr Marwan Chanine's business?---I don't know.

And can I just clarify, your involvement in the Doorsmart project was in relation to the provision of architectural services. Is that right?---Correct.

You weren't involved in any aspect of getting the project up and running? And when I say the project I mean the development project up and running. ---What do you mean by up and running, sorry?

40 Well, what was your first involvement in the project that entailed trying to derive income from the properties 212-222 Canterbury Road and 4 Close Street, Canterbury?---If I understand correctly, it would be concept sketches.

And were they done before the DAs were lodged?---Of course.

Can I change the subject now to Mr Michael Hawatt. You knew him in 2014-16. Is that right?---Yes.

For how long had you known him?---I can't recall. I can't put a time on it, like a time period on it. I knew him as a councillor, councillor.

What were the circumstances in which you first met him?---Sorry, I pause because I'm trying to recall. It could have been through an introduction. I can't recall the specific, the exact time I met him first.

Did you meet him in relation to any particular property or project?---I don't believe that was the very first introduction.

10

What was the first property or project in respect of which you had anything to do, any contact with Mr Hawatt?---I don't recall discussing particular applications with Michael Hawatt.

Did you discuss the applications in the Doorsmart case with Mr Hawatt?---I couldn't definitively say no, that I didn't.

20

Right. You don't recall discussing a particular property or project with him but you can't say that you didn't in respect of the Doorsmart project. Do I summarise your evidence correctly?---Correct.

Why can you not say, are you able to us any assistance as to why you can't say that you didn't discuss - - -?---I may, I may have. I, I don't know.

Yes. But why may you have?---Because I had discussed it with councillors. I had discussed that particular application with councillors.

30

All right. And you've used the word, "Councillors," plural, is that right?  
---Yes.

What other councillor had you discussed the Doorsmart project with?  
---Councillor Azzi.

What's your best recollection as to the first contact you had with Councillor Hawatt in relation to the Doorsmart project?---It may have been to describe the issues we were having with the application.

At what point?---Through the application process.

40

Yes, but sorry, I should be a bit more specific. Issues arose from time to time, I assume.---Through the application process and the DA process, yes, correct.

So, can you, by reference to a particular issue, assist us as to when it was probably at what stage it was in the process that you first had contact with Michael Hawatt about this project?---I can't recall specifically. I can't recall the top of the, the conversation.

Can you recall any particular issue on which you had contact with Councillor Hawatt in relation to the Doorsmart project?---No, not specifically. Not specifically Michael Hawatt, no.

Why did you need to speak to Michael Hawatt in relation to the Doorsmart project?---I may not - - -

10 MR KIRBY: I object. It is an unfair question, in that it assumes an answer which has categorically not been given. The evidence that he does not know whether he did or didn't had contact with Michael Hawatt on that Doorsmart project and the question is pregnant with the assumption that he did.

MR BUCHANAN: I'm happy you reword the question, Commissioner.

THE COMMISSIONER: Thanks, Mr Buchanan.

20 MR BUCHANAN: Do you remember the contact you had with Councillor Azzi in relation to the Doorsmart Project?---Not one specific time.

So, you can't remember what the issue was that you had contact with Councillor Azzi about in relation to the Doorsmart project, but there was some issue?---Correct.

Is that right?---Correct.

30 And you may have had contact with Councillor Hawatt about an issue or issues in relation to the Doorsmart project, but you can't say what it or they were?---Possibly, but I can't recall that.

Why do you confine your answer as to Councillors with whom you had contact in relation to the Doorsmart project, or may have, to those two?

MR KIRBY: I object.

40 MR BUCHANAN: Well, I'll ask a different question. What other councillor at Canterbury City Council did you have contact with, on any issue relating to the Doorsmart project?---I had contact with Councillor Azzi, primarily.

Any other councillor?---No.

Why did you have contact, or may have had contact with Councillor Azzi in relation to the Doorsmart project, rather than some other councillor?---I had met him earlier, on prior occasions. He knew that we do, that I do a lot of development work in terms of DA work in the council area and he was familiar, he was familiar. On, on occasion, my brother would ask me who was obviously proponent to that particular application, speak to the

councillor to flush out and explain the issues that we were having with council.

So you approached him, did you, in relation to the Doorsmart project?---I would say so. As opposed to him approaching me?

Yes.---Yes, I'd say so.

10 And what is it, what's your best memory that you can help us with as to what that was about?---There were a handful of issues on various occasions. I'm just trying to think. The conversation, sorry, can I – can we just take that back, can I get you to repeat the question again, please?

Yes. What was the issue on which you had, or issues on which you had contact with Councillor Azzi?---So issue with the development per se that I may not have – is that what you mean?

Well, I'm asking you.---I presume, so I presume - - -

20 You're the one who had the contact or - - -?--- - - - we had an issue. So you're asking me what issue did I have?

Yes.---And so why - - -

In relation to your contact with Councillor Azzi that you raised with him, that caused you to approach him.---There were letters sent from council with invariably, with issues with the development.

30 Yes.---In addressing those issues from time to time they would be escalated to management and the like, general manager and councillors and I would have brought those up with the councillor.

And why would you have brought them up with the councillor?---To fill, to fill him on the ah, there would have been other steps, the, going back to the question, there would have been other steps that I would have taken prior to filling him in as well, as well as filling him in on the process or what has been transpiring.

40 Why did you feel a need to fill him in?---Well, if we weren't getting anywhere sometimes with the council officers per se I would escalate the matter and escalate the matter to the director's office or the general manager's office, at the same time as well letting the councillor know that what we were, what was being transpired.

But why did you, what did you think it was going to achieve by sharing I assume a concern about an issue with Councillor Azzi, as against dealing with the officers of council or the director or the general manager?---Well,

he was a councillor and I knew that he had the, him and the general manager and the staff were, that he could - - -

I'm sorry, I misheard, I didn't quite hear what you said there, I do apologise, it's not your fault. You had the what with the general manager?---He and the general manager, so him, the general manager, the director of planning, like the senior personnel obviously being all at a, sorry, at a higher level within the council at least could advocate the position that we were trying to take.

10

But what could a councillor achieve other than by voting on a proposal or an application or a question that was being considered by council or one of its committees of which he was a member?---I presume speak to other councillors as well - - -

Yes.---?- - - to advocate our point.

20

And is this, are you talking then about a decision by council that you were seeking or by one of its committees?---What do you mean by committees, sorry?

Well, you know how council has committees that make decisions for council, particularly in respect of planning?---Yes.

A City Development Committee?---Yes.

You've heard of that?---Yes.

30

That body, that body considered your development applications in this Doorsmart project, didn't it?---Correct.

It was a committee of the whole of council, you knew that?---Correct.

And so you knew that Councillor Azzi was a member of it?---Yes, correct.

40

So did you speak to Councillor Azzi as best as you can recall in order to try and get him to persuade other councillors to vote a particular way on a proposition that was before the City Development Committee or before council in relation to the Doorsmart project?---No, I don't believe so. My, my conversations with Councillor Azzi, I would have been asked, and I think I, this is part of my evidence last time was that my brother would have asked me, Marwan would have asked me to advocate the point to the councillor so that the councillor is aware of what is going on. And when I say what is going on, if we were butting heads, so to speak, that a meeting could be organised with the councillor.

And what was it that you expected or hoped that Mr Azzi could do?  
---Potentially bring reason to the table.

How?---By being a councillor.

Yes. And - - ?---By facilitating an outcome, a meeting, at a meeting potentially.

Between whom?---Between the general manager, the director and the staff.

10 So if you weren't getting anywhere with the staff or the director or the general manager you have a memory that you took it up, the issue in relation to the Doorsmart project up with Mr Azzi?---Not specifically in that sequence, no. My recollection of the times that I had spoken to Councillor Azzi specifically about the application would have been at the request of my brother.

20 Yes, but, and we can go into that too but what I'm trying to work out is why you thought it was a good use of your time to spend it with Councillor Azzi canvassing an issue you were having with your applications that were before council. Why Mr Azzi against somebody else, what was it that you thought he could do?---He gave off a sense of being, you know, wanting to build the, build the area, build the area of Canterbury.

Be pro-development?---Pro-development.

Yes. Did he give off a sense of being inclined to be of assistance to you and your brother?---Yes. He wasn't obstructionist.

Was he a friend of yours?---Not really.

30 Was he a friend of Marwan's?---I don't know.

Was that an honest answer?---Yes. Really.

You don't know whether Councillor Azzi was a friend of your brother?  
---Correct.

How many times did you have contact with Councillor Azzi in relation to the Doorsmart project?---I can't recall specifically.

40 And can you assist us – I withdraw that. It was more than once?---Yes.

Was it five times, 10 times, 20 times?---I can't recall. I'd be speculating. Possibly, possibly five times, six times.

And how did you have contact with him?---On a couple of occasions, on a couple of occasions I was asked to go to his house and explain the circumstance, what I needed to explain to him.

And who asked you to do that?---My brother.

And did you ask your brother why don't I see him in his office?---No, I didn't.

Why don't I see him at council chambers?---No, I didn't.

Why didn't you ask that?---Because I didn't.

10 That's not an answer.---I don't recall why.

What was happening at Councillor Azzi's house when you went to see him?---On one occasion my brother was there. On another occasion he, I think we talked outside, just at his front doorstep.

And we being?---Me. Sorry, him and I, he and I.

Any other occasions?---There would have been another one or two occasions.  
20

And what would have been the venue for those?---Sorry?

What would have been the, where did those contacts occur or would have occurred?---I think at his house.

So were all the contacts with him at his house when you were there personally talking to him?---I think, once again from recollection possibly about three-odd times, three or four times I would have seen him at his house, maybe three times and a couple of occasions at council.  
30

And when you saw him at council where was that?---I recall having, I recall specifically one meeting where he sat in with the general manager and the director.

And was your brother present at that meeting?---I believe so.

And what was the reason for that meeting?---I can't specifically recall if it was about Doorsmart itself or about another project but possibly the Doorsmart project.  
40

How many times did you meet Mr Montague at council chambers about the Doorsmart project?---A few times.

And you can recall on one of those occasions, Mr Azzi was present?---I believe so, correct.

Could it have been more than one? I'm not suggesting it was I'm asking. ---Yes, of course. I can't recall.

Can I just go back now to meeting Councillor Azzi at his house. Obviously someone gave you an address, is that right?---Correct.

Who gave you his address?---I can't recall if it was my brother or Councillor Azzi.

10 And had you met Councillor Azzi at his house before you met him at his house in relation to the Doorsmart project?---I can't recall. That three or four times that I mentioned, where I met him at his house, I can't, I can't recall if one of those would have been prior to Doorsmart or not but I don't think so.

So, have you met Mr Azzi at his house since the Doorsmart project?---I don't think so.

20 So, there was this flurry of contacts with Councillor Azzi that you had for the purposes of the Doorsmart project with Councillor Azzi as his house? ---Correct.

And each time, you were seeking his assistance because he was a councillor?---Correct.

And was it because you understood that he had influence at council, as to decisions that were made?---I believe so.

30 And was it because you understood that he had influence as to decisions that were made at multiple levels? I want to suggest to you, councillor level, general manager level, director level, those three levels, what do you think? ---Possibly.

Is there any other suggestion or assistance you can give us as to what your thinking was, as to why you would spend your time having these contacts with Councillor Azzi unless you thought he had influence and you wanted him to exercise influence at one of those, at least one of those three levels? ---The, my instigating contact with Councillor Azzi, in terms of those requests, were done on the request of my brother.

40 All of them?---Yes.

All of those occasions?---Yes. Like, I didn't see it out of my own, off my own bat so to speak to, to call the, Mr Azzi and, and go meet with him to explain something.

So, your brother asked you, "Could you please see Pierre Azzi - - -?---And explain to him why we've got this issue.

Such and such an issue?---Correct.

Was there any conversation you had with your brother as to why he didn't perform that function, rather than asking you to do it?---No, he was, he was present at a couple of those occasions and conversations but me being on the frontline, so to speak, in the assessment process with council, with a council officer per se, I was getting the, the frontline approach, and from professional to professional with council staff, whereas him being a developer, sometimes it's, you know, the developers think only big picture and don't understand that you know, planning framework and the like, of what actually needs to be done. So, I would be there to articulate that.

Did you ever get the feeling sometimes, that Councillor Azzi didn't understand planning very well?---Yes.

And were you trying to explain the complexities of some of these planning issues?---Yes.

And your brother, as you recall it, was present on at least a couple of the occasion, and this is at Councillor Azzi's house?---Yes. As far as I recall.

And where there – I'm sorry?---Yes, sorry, as I recall, yes.

And were other people present on any of those occasions, apart from yourself, your brother and Councillor Azzi?---I can't recall.

Were there any social occasions at Councillor Azzi's house, where you were present?---Don't believe so.

So, there weren't any occasions when there was a barbecue on and you attended, or if it was Winter - -?---I know that, I don't believe so, I believe that at, on one of the meetings they had a barbecue or were having a barbecue per se, I arrived, did what I need to do in terms of the discussion and, and had left.

And on any of those occasions, did you speak with anyone else connected with council, such as the director of city planning, Spiro Stavis?---Whilst I was at Pierre's house?

Yes.---I can't recall. Possibly. Possibly.

On any of those occasions, when you were speaking with Councillor Azzi this house during the Doorsmart project, was Jim Montague present?---I believe, I believe maybe on one occasion, I think.

And just thinking about that occasion, what was the issue that you were raising with Councillor Azzi?---I can't recall the specific issue with the development, the one, I can't pinpoint the one specific issue, topic of conversation at that event.

What were the – can you tell us, please, and take your time about this, and I don't expect you to get them in chronological sequence, what were the issues with council where you felt or were told by your brother there needed to be an intervention with Councillor Azzi?---If I recall correctly the, the main issue, there would have been an issue with the rear setback, an issue with the front setback and an issue with the floor space ratio. They're the three sort of predominantly main items.

10 And you know that the Independent Hearing Assessment Panel recommended refusal - - -?---Yes.

- - - of the DAs. Was that an issue or do you put that under the heading of FSR?---Sorry, what do you mean by do I put that under the heading of FSR?

Oh, well, you said that FSR was one of the issues that you recall raising - - - ?---Yes.

- - - with Councillor Azzi.---Yes.

20

Tell me if I've got that wrong.---Yes, no, correct.

Right. And that was a problem for the IHAP, wasn't it?---Correct.

Was the refusal by the IHAP something that you separately raised with Councillor Azzi or raised with him at all?---I can't recall.

30 And was – I withdraw that. In respect of the rear setback, you know that at one stage there was a recommendation by council officers, indeed Mr Stavis in his report to approve but as a deferred commencement of the DAs with a condition that the plans be amended to incorporate a three-metre rear setback. Do you remember that?---I recall that.

Was that issue of a deferred commencement with that condition something that you raised with Councillor Azzi?---I believe so.

40 Was there any other time that you raised the issue of rear setback with Councillor Azzi, that's to say out of the context of the deferred commencement and the setback condition that was in the council officers' report?---The final recommendation report?

Yes.---I can't recall. Possibly. If it came out in the final report that it was a deferred commencement with a three-metre setback, no doubt it would have been, and it was discussed prior to that, that they would be imposing something along those lines.

And did you raise it with Councillor Azzi?---I believe so.

Right.---My gut tells me yes.

So you would have raised it with him perhaps twice at least, once when it first became an issue and second time when you found out that the reports recommended deferred commencement subject to a condition to amend the plans for a three-metres setback.---I can't recall the second time. I can't recall the second time whether I spoke to Councillor Azzi direct about that one particular point.

10 Sorry, I might have - - -?---Sorry.

I hope I haven't misled you. You think there might have been, and please, you tell me if I'm wrong, you think there might have been two contacts with Councillor Azzi about the issue of the rear setback. Is that right?---Possibly.

But you do remember that one of the occasions of raising the issue with him was when the deferred commencement was recommended in the council officers' report?---I, I can't quite recall the specific moment in time when I brought up the issue of the three-metres setback being imposed as a  
20 condition or, I can't recall if it was when it was imposed as a condition or whether it was prior to in terms of the correspondence and the dialogue between myself and the director.

Okay.---Of a three-metre setback being required.

Okay.---Because we would have put in correspondence and the like rebuffing that et cetera.

Right. I do want to actually come back to much earlier events, but just  
30 before I finish off with this at this stage, the recommendation to council that the approval be by way of deferred commencement with a condition that the plans be amended for a three-metre rear setback was a major obstacle to the progressing of your development applications, wasn't it?---It wouldn't have been a, it wouldn't have been an obstacle to the progressing of the application because the application had already progressed and was a recommendation for approval with that condition of three metres, but it was a, it would have been a hindrance, yes.

Well, it would have resulted in reduction of lot yield?---Yes, correct.  
40

And neither you nor your brother wanted that to happen did you?---Of course.

And of course by the time it was a recommendation in the director's report it was being made at the level of first of all IHAP but focusing for the purposes of my question on council, it was an issue for council, sorry, it was an issue at council level because the council was going to make the decision?---Correct.

So doesn't that mean the chances are that you would have been contacting Councillor Azzi about that issue given that he was a member of that body?  
---I don't know. Sorry. I don't know who made contact with Councillor Azzi. I can't recall whether I did or not. I know I, I have a suspicion that my brother, et cetera may have had contact with him about that being the proponents of the application but I can't recall if I spoke to him specifically about that condition at that particular point in time.

10 What did Mr Azzi indicate to you were his views about the proposal for a front setback?---I can't recall his views on the front setback.

What did he indicate to you were his views on the proposal for a rear setback?---Rear setback he tended to agree with our position. Council had set a, council had set a precedent by approving the development next door with a nil setback. We had designed the building in alignment with that particular development.

20 And what were Councillor Azzi's views about the FSR issue?---I don't know. I don't recall.

The FSR issue was an indication that the DAs might be refused because the FSR was considered excessive.---Correct.

Do you recall raising that with Councillor Azzi, that issue?---I don't recall.

But you recall that FSR was a topic, the subject for discussion with Councillor Azzi?---I believe so.

30 By you?---Sorry?

By you?---A topic of conversation by me?

Yes.---Yes, I believe so.

And the IHAP refusal, I'm sorry if I've already asked you this, was that a topic of conversation between you and Councillor Azzi?---I can't recall.

40 That obviously was a major obstacle to progressing your DAs wasn't it?  
---Yes.

And given that the IHAP report was a recommendation to council, the logic would suggest that Councillor Azzi, having regard to the relationship you had with him in relation to this project, would have been a person you would have gone and talked to about the problem posed for your development, your proposed development by the IHAP recommendation?

---My recollection is that there were conversations with Councillor Azzi at one point but I can't recall if I had that conversation or if it's something that I, I was advised of.

By your brother?---By my brother and by the partners.

10 So now, we've talked about Councillor Azzi quite a bit and I just want to come back now to Councillor Hawatt. Now that we've gone through those various issues and contacts and venues for contact, did you have contact with Councillor Hawatt about any of these issues?---I can't recall.

Was Councillor Hawatt present when you had contact with Councillor Azzi about any of these issues? When I say present I mean in the same, at the table or in the same group that were talking.---I believe he may have been present at one, at one meeting.

At Councillor Azzi's house? I'm not suggesting it was, sorry.---Sorry, I'm trying to, I'm just trying to recall.

20 I didn't mean to suggest that it was. I'm just asking.---I really can't recall.

Now, did you call on the telephone Councillor Azzi about any of these issues?---It could be possible.

And when you say, "It could be possible," do you mean yes, you think you did?---Possibly. I, I can't, I can't recall how I first made contact or how I made contact with him.

30 Well, that's a reasonable response, if I might say so, with respect. You would of course, in order to line up a meeting, more likely than not, telephone the man. But what I'm asking is, I contend to ask is, did you have telephone contact with Councillor Azzi in which you discussed the issues that you had with him?---There, I can't recall, but there may have been an occasion where I had the conversation, rather than going to see him, I had the conversation over the phone.

And how did you make contact with him on the phone, using his mobile number?---I, I believe so.

40 Excuse me a moment. Was Mr Khouri present at any of these occasions of contact that you had with Councillor Azzi?---I can't recall.

Did you ever see Mr Khouri at Councillor Azzi's house?---It could be possible but I, I can't specifically recall.

Do you remember going to Councillor Azzi's house with Mr Khouri?---I don't recall that.

There was an occasion when Mr Azzi sat in on a meeting with the general manager, is that right?---Yes, correct.

But you can't recall whether Councillor Hawatt was present on that occasion?---Yes, I can't, sorry, I can't recall.

Is it possible that there was more than one meeting that you had with Mr Montague, where Councillor Azzi was present?---It could be possible.

10 And on any of those occasion, was Mr Stavis present?---Yes.

On all of those occasions, sorry, when I say all, such of them as there were? ---There were several, sorry, do you mean with both Mr Montague and Mr Azzi?

Yes. No, no, no, no. Sorry, sorry, that's the next question. I'm just trying to sort of work out, first of all, at how many meetings was about issues in relation to the Doorsmart project was Mr Montague present and Mr Stavis present?---I can't recall a specific number. It would have been several.

20 They, they would have been from the outset of the inception of the concept design and then through the application process.

So, in other words, at least one meeting before the DAs were filed?---Yes.

And why was that meeting held?---It was a high level meeting to discuss the concept design, the proposition that we're going to be put forward. It was myself, Marwan, my brother was present and our town planner was present, as well as Mr Stavis and Mr Montague and we presented our concept and idea and vision for the site, as well as pointing out what the noncompliances were going to be.

30

Was Mr Stavis the only person from his division there, or was there a staffer like, a planner there as well?---I think only Mr Stavis, I think.

And you drew attention, or at least, sorry, I don't want to put words in your mouth, you drew attention to what you expected to be noncompliances with controls?---Correct.

40 And was that a purpose of the meeting, to draw attention to them?  
---Partially, yes.

With a view to what, sir?---To lay on the table, I guess the noncompliances essentially, be upfront about it and see whether it was too big a stretch or whether it was something that council was willing to delve in to further, obviously subject to a formal application being lodged.

And what was the outcome of that meeting in terms of that particular purpose?---That it was reasonably palatable, subject to the detail that would

be further presented with a formal application. That was the general process that we would conduct a lot of, I use the term loosely, business in the Canterbury area. We would have a lot of high, high-level meetings very early on with, with the general manager and with the director, just to be able to lay the ground work for the future application.

10 So, a bit like a pre-DA meeting?---Almost like a pre-DA meeting, but the pre-DA meetings, many of my colleagues through the industry and myself, were finding that, you pay your 15, you lodge a concept plan, you pay your 15,000 odd dollars, you lodge a pre-DA application form and the feedback that you get is pretty much a regurgitation of what's written in their LEP and their DCP. There was no constructive criticism, there was no constructive, whether it be criticism or whatnot, we didn't find it constructive, so for a, a period of time, we weren't conducting formal pre-DAs per se, but high-level pre-DAs with the director of planning and with the general manager. I guess, presenting the concept, presenting the idea, what would fly, what wouldn't fly.

20 And in the expectation, you tell me if I'm wrong or choose your own form of words, that you would get a high-level indication as to whether any non-compliance would be waved through or would be an obstacle to a favourable assessment.---I'm just trying to think how to rephrase that, only because it's obviously not as easy as you make it sound of course, I say that with respect, things wouldn't generally be waved through, justifications still need to – that's why I made the point about the Doorsmart meeting, that generally it got, you know, a, if you want to call it a nod saying yes, we can potentially do this, but with the, sorry, I'm trying to think of the word, the caveat that subject to the further detail that you present, the argument that you present. It's not, you know, open-door policy and, and away you go.

30 Okay. At the meeting that occurred with the general manager and Councillor Azzi was present, at least once, I think you've indicated it might have been twice, on your best recollection, I apologise if I've already asked you, was Mr Stavis there at the same time as - - -?---Sorry, can you repeat that, with the, with the councillor?

Yes.

40 THE COMMISSIONER: And the general manager.---And the general manager.

MR BUCHANAN: And the general manager, sorry.---I can't recall. I specifically can't recall. I can recall - - -

What - - -?---Sorry, I apologise. I can recall the meeting and I can recall the councillor sitting there and the general manager but I can't recall who else was there.

And what stage was the processing of the DA at, at the time of that meeting?---It may have been halfway through.

And what was happening?---We would have, I believe we may have received a council letter with a list of issues and we would have wanted to present it at the, at the meeting with everybody present.

And - - -?---And go through those issues.

10 Did you expect Councillor Azzi to be at the meeting?---I can't recall.

Had you asked Councillor Azzi to be at the meeting?---I don't think, I don't think so but I can't recall. I can't recall if it was myself or somebody else had arranged for him to be there.

Had you asked Councillor Azzi to convene the meeting?---I don't, I don't recall.

20 What was your understanding of the purpose for the presence of Councillor Azzi at the meeting you can recall after you received a shopping list of issues on the part of council?---I guess to have a council member or a member of the council, elected member of the council present at the meeting as well.

But you mean more than that, don't you, given the evidence you've given, you thought he was the most favourably inclined - - -?---In terms - - -

- - - in your experience.---In terms, yes.

30 Was Councillor Azzi given any benefit or paid any money for his contribution or expected contribution in relation to the Doorsmart project?---No.

Now, speaking of Councillor Hawatt again if you don't mind, please, what was the extent of your - I withdraw that. Did you have a social relationship, a friendship - - -?---No.

- - - with Councillor Hawatt?---No, I didn't.

40 Did your brother have a social relationship or friendship with Councillor Hawatt?---I don't believe so.

Can I ask you about an evening on 18 December, 2015, which is a Friday before Christmas 2015, and I'm thinking of Felix Restaurant and Ivy's Nightclub - - -?---Yes.

- - - in the city.---Yes.

Does that ring a bell with you?---The Ivy Nightclub part, yes, not the Felix part.

Rightio. What do you recall of the Ivy Nightclub part?---We were invited to have drinks with a, I use the term loosely, colleague of Michael Hawatt's, which was Godfrey Vella.

V-e-l-l-a?---V-e-l-l-a.

10 And when you say we were invited, who was invited?---Marwan my brother and I.

And who did the inviting?---I think the text message came from Michael Hawatt.

And you attended pursuant to that invitation?---Yes.

20 And who was in the group at the nightclub that night?---Godfrey Vella, myself and Marwan. There were some other gentlemen there that I don't know who they are. I think associates of Mr Vella. And from recollection George Vasil.

Had you expected Councillor Azzi to be there?---No.

Just to be clear, at any time on the day of 18 December, 2015 had you been led to believe that Councillor Azzi would be part of a party, that is to say the group, going to the nightclub?---I'm not sure.

30 Were you invited to the Felix restaurant?---No.

Did you know of a dinner at the Felix restaurant before the nightclub?---No, I don't believe so otherwise I probably would have attended the dinner. It's my favourite restaurant.

Now, do you know of a business relationship between your brother and Councillor Hawatt?---No. I know the particular matter you're referring to but - - -

40 What's the matter you think I'm referring to?---In regards to my - - -

You're probably right.---Yeah. Well, my brother assisted a friend to purchase a property from Michael Hawatt.

Right. And do you know where that property was?---Penrith.

And did you, what did you learn – I withdraw that. I actually don't want the detail. What I'm after is who did you learn that from, your brother or somebody else?---Sorry, which part?

Well, any part.---Possibly my brother. I can't recall, I can't recall specifically but possibly my brother.

Was there any other aspect to a business relationship that Councillor Hawatt had or might have had with your brother?---I don't - - -

10 Apart from this property transaction?---I don't believe so. If I may, prior to the Ivy nightclub what stemmed that invitation was an introductory meeting that Michael Hawatt set up with Mr Vella at a different venue and I was invited, I believe I was invited, when I say I was invited, he wanted to recommend me as an architect for Mr Vella to look at a project for him. I think he wanted Marwan's involvement to assist Mr Vella but I don't believe Marwan got involved. Marwan didn't attend that first meeting with us and I don't believe he got involved in - - -

Can I just ask this just to assist us in trying to nail things down. What was the venue of that meeting?---The first meeting?

20 Yes.---I think it was Bankstown, not Bankstown, Canterbury Leagues Club.

Canterbury Leagues Club?---Canterbury Leagues Club.

Thank you. Now, can I go back now to the general manager, Mr Montague. Obviously you knew him in 2014/16.---Yes.

Did you know him before that?---I'd say yes.

30 And what was your first contact with Mr Montague?---I believe I may have been introduced to him on a very early DA application that we would have had in council. We as in - - -

What was the property?---I can't recall. I can't recall specifically the project.

How many properties have there been where the site was located in Canterbury Local Government area and you had any contact with Mr Montague?---Several. I couldn't count.

40 All of them?---Not all of them, no. Of course not. So when I say of course not, you mean all of them as in all of our projects in Canterbury?

At Canterbury.---No, not all of them but a big number of them. A large number of them, sorry, I should say.

Did you know Mr Montague in any other way, like as a friendship or social circle or business relationship?---Not really.

When you say not really, what you mean is, you're thinking of something. ---I'm thinking, yeah, I would meet, I would see him at occasions such as like a mayoral ball or the general manager's ball, those type of charity functions, those sort of events, and he was, and I say he was friendly to me because we had a large volume of applications in that council area, we meaning as the architect.

10 And when you say he was friendly to you because you had a large number or volume of applications, you being the architect, are you saying, and again please rephrase this in any way to ensure that your evidence is accurate, did you get the sense from Mr Montague over time, this is not confining ourselves to '14-'16, that Mr Montague was favourably inclined to your projects, your and your brother's projects in the Canterbury local government area?---I wouldn't say favourably inclined, I'd say he would be very open, he would be open-minded.

20 Did you encounter – I withdraw that. Did he pose any problems for you in the processing of any DAs in the Canterbury area?---On occasion, on occasion, you know, you'd go to a meeting and it wouldn't necessarily go the way that you necessarily want going into the meeting, thinking that you're meeting with the general manager, so to speak.

Did he pose any problems for you in relation to the Doorsmart project, any issues that you took to the table where he said, oh, I don't know that I can agree with that, or anything like that?---I can't recall, I can't recall specifically.

30 Mr Stavis, what was your first contact with Mr Stavis?---I had – first contact ever?

Sorry?---Sorry, that's a question from me. First, first contact ever with Mr Stavis?

40 Yes, yes, it is, that's what I'm asking.---We had first moved into the office I referred to earlier in Drummoyne and he had just moved out of the particular building, I believe there was still the sign of his company, his town planning, private town planning practice still on one of the doors. I believe he may have moved out or we had a very short period of time where we may have crossed paths and he was introduced to me at that point in time.

And was this SPD Town Planners?---Correct.

And was your brother working out of the same space as you were - - -?  
---Yes.

- - - in that building at that time?---Yes.

Now, SPD Planners, did you understand that to be a single practitioner urban planner business that Mr Stavis was operating at that time - - -?

---Yes, I - - -

- - - or had been operating, sorry?---I didn't know if he had any employees or not.

Rightio. A private practice nevertheless?---Private practice, yes.

10 And was the business still in operation when you first spoke with him or was he literally clearing out the office?---My memory is hazy at that point in time, I can't, as I mentioned, I can't recall if there was an overlap where he was in business or he was moving out and I don't know where he moved on to after that.

Did you and he have any discussions about whether he was closing down his office or had closed down his office or was going to close down his office?---At that point in time?

20 Yes.---No.

Did you at any later stage?---Um, not that I recall.

Did you ever find out why he closed down the office?---Yes.

When did you find out?---Sorry, I'll rephrase. I say yes, but I can't recall if it was from him or through, you know, word of mouth.

30 Right. And when did you find out?---I don't, I can't recall.

And what did you find out?---The developer, one developer owed him a lot of money. Couldn't sustain the ongoing, sorry, I'm drawing blanks, I apologise.

Well, he couldn't sustain the business, the income wasn't enough to keep the business going?---That's what I had heard, yes.

40 And did you understand, at that point, that Mr Stavis had been left with financial problems?---No, I didn't.

Did you ever believe or understand that Mr Stavis had financial problems?---I didn't have those conversations with him, I don't recall having those conversations with him.

That's not the question I asked you, did you ever believe or understand that Mr Stavis had financial problems?---I, I wouldn't say I believed that he had financial problems but I, it was intimated that there would have been financial problems if a developer owed him a lot of money.

You intuited that or inferred that, is that what you're saying?---Yes.

Or someone told you that?---I inferred that.

Now, later, did you become aware that Mr Stavis was a senior planner at Strathfield council?---Yes.

10 And were the circumstances in which you acquired that awareness, that Mr Stavis was involved in assessing an application you had in the Strathfield local area.---Correct.

And was that a development, sorry was that a DA for a development project at 1-9, that 1 t-o 9 Kanoona Avenue, Homebush?---No.

What property was that?---Liverpool Road, Strathfield.

20 Rightio. And who was the developer for that project?---My brother, Marwan.

And was it a DA?---Yes.

Did you know, do you know sorry, a property of 1-9 Kanoona Avenue, Homebush?---Yes.

What was your first involvement in that site?---That's my brother's development.

30 And when was your first involvement in that site?---Probably at pre-DA stage.

And when was that?---I can't recall the date specifically. That development took place well after the Liverpool Road, Strathfield development.

And can you tell us please, about the contact that you had with Mr Stavis when he was at Strathfield and working on the Liverpool Road project? ---He was the assessing officer.

40 And just very briefly, what was the, can you just describe in a sentence, that development?---It was a, it was a residential flat building, I believe four storeys.

How many units?---50 odd.

Thank you. Now, did you have a meeting or meetings with Mr Stavis? ---Yes.

Did you have a lunch or any sort of social occasion with Mr Stavis in that context when he was doing that work?---No.

You didn't go out for a beer with him or anything?---No.

10 And did you develop a friendship with him as a result of meeting with him in the course of the processing of that DA?---I wouldn't call it a friendship but a mutual respect, knowing that he came from, mutual respect in knowing his attitude to the process of a DA and coming from private practice.

And what was that attitude, as you understood it?---He would be facilitative. Workshopping, he would workshop through solutions. That was the first time had worked with him, through the course of that applications.

20 And workshopped through solutions means, is predicated on the existence of a problem, correct?---Not necessarily a problem. One particular instance in that particular development. It's a four storey development. We had designed a building to the setbacks, to the height limit to the floor space ratio. The council staff thought it would be better, and the building took a larger, a large footprint per se. Council thought it would be better to provide a larger amount of deep soil area and common open space on the ground level and essentially take a chunk of the building out, take a big portion of the floor space out and put that on top of the development. So, if we took out a section of building, place it on top essentially, and spread it across a top floor. We were hesitant about that because meant the building would be then, I remind you, the first scheme was compliant, compliant with floor space, compliant with height and setbacks et cetera. By doing that and the instructions we were given by Marwan, he wanted a quick DA, 30 he just wanted it to go in and come out, just make it compliant, the hesitation was that council wanted something different, in the sense that they were insistent on taking that floor space out and placing it on top. It would be a better outcome.

Sorry, council's view - - -?---Council's view.

- - - was that the communal space should go on top rather than be - - -?  
---No. The communal - - -

40 - - - on ground level?--- No. The communal space should, the communal space should go on the ground floor as opposed to on top.

And you wanted to put it on top?---I can't recall. I believe the communal space may have been designed on the top originally.

So it might have been that council wanted to take that space and put it on the bottom and make it a shorter building?---No, make it a taller building. So they told us to take floor area essentially or take a, sorry, take a section

of building – I'm just trying to think how to best describe this. Take a section of building in plan, if you can imagine in plan format, take a, I'm simplifying it of course. Draw a square. There were two units in that square essentially per plate. Over four levels that's eight. Take out eight units, make this area common open space on the ground level, so essentially like a doughnut or U-shape, and those eight units put them on the top of the building. You still comply with your floor space ratio but it means we'll be over the height limit.

- 10 Now, this is something that you had dealings with Mr Stavis about is it?  
---Correct.

While he was assessing the DA for your and your brother's project at Kanoona Avenue, sorry, I do apologise, at Liverpool Road?---Correct.

And what was the outcome of that issue?---It was recommended for approval. The development was recommended for approval. When I say the outcome of that, sorry, let me rephrase. The outcome of that process was we, we placed it on top. We did, we did what they asked.

20

And when you say the DA was recommended for approval, was it Mr Stavis as you understood it who wrote the report recommending that to - - -?---I believe so.

- - - Strathfield Council?---I believe so.

Was Mr Khouri involved at all in that Liverpool Road, Strathfield project?  
---Not through the course of the DA.

- 30 He was involved at a later or earlier stage was he?---Obviously I'll, I need to sort of preface that. I have read some of the transcripts through the court and so some of my recollection and some of my, what I've read obviously have blurred into one another. Mr Khouri I believe made a call to the, to one of the councillors to convene a meeting.

What was – I withdraw that. So did Mr Khouri perform the function of managing the DA that you've described earlier in respect of other projects?  
---No. No, not in this instance.

- 40 Was there any reason why not?---I don't believe so. I don't know.

And it sounds as if Mr Khouri's role, and this is what I'm going to make a suggestion to you and invite you to respond, was to manage the regulatory aspects of your business in any given project. When I say your business, I mean the business of you and your brother.---Sorry, what do you mean by the business of me and my brother?

Well, you did projects together. He did one part of it, you did another part.

MR KIRBY: I object

THE COMMISSIONER: Well, he can agree or not, Mr Kirby.

THE WITNESS: What do you mean, sorry?

MR BUCHANAN: Well, you and your brother did projects together.  
Correct?---I was, I was paid to do a service, to perform a service.

10

Yes. So you made a contribution of a particular kind.---Yes.

And did you understand your brother to be making a contribution but not the same kind as yours?---I wouldn't say a contribution. I don't know if it's, if you would refer to it as a contribution. It's his project.

So you made a contribution which was an intellectual contribution and a contribution in terms of labour and the product that your firm supplied?

---Yes, that's the service.

20

And as you understood it your brother did the same thing.---No. I don't know what you mean by my brother did the same thing.

He didn't apply his intellect to the issues involved in conducting or setting up or getting running a development project?---Yes.

So in a different way from you he made contributions to development projects, didn't he?---Yes.

30

So you'd have these projects, you'd both be working on them together, wouldn't you?---Yes.

And you'd both be talking to each other about them?---Yes.

Correct. And where one had more of a contribution to make because of their skillset than the other, then that one would make more of a contribution, but you'd tick tack with each other and work out how to progress the project.---That would be the normal throes of a development application, formal development application through council.

40

Can I ask, once a development application had been approved in any of the projects that you worked on with your brother or for your brother, did you continue to have a role to play?---From time to time.

Can you just give us a rough description, general description of the sort of role you played after DA approval?---If, if it was a project that he would take through to construct then we would prepare construction drawings.

I see. And have the other architects' type of input thereafter where - - -?  
---Yes, through the course of.

- - - amendments might need to be made et cetera.---Of course.

Now, after the meetings, I'm sorry, you had meetings with Spiro Stavis in relation to the Liverpool Road project?---Yes.

10 Did you have any other contact with him during the currency of that project?---While he was in his employment at Strathfield Council?

Yes, while he was at Strathfield.---No.

Okay. After you had your contact with him in relation to the Liverpool Road development application, what was your next contact you had with Mr Stavis?---He had left council I believe, from recollection, that's where the other development you referred to, 1-9 Kanoona Avenue comes into play, where we reached, I reached out to him to see if he would be willing to act  
20 as town planner for that particular application as he had left Strathfield Council, being inside, working inside Strathfield Council, knowing Strathfield Council and the people within the council and the code et cetera, I thought that would be a good move.

Yes. And when was this in relation to the last dealings you had with him in relation to Liverpool Road?---After he had left Strathfield Council.

Yes. Do you know how long after he had left?---I can't recall.

30 What was he doing at the time?---He was working for Botany Council.

And in what local government area did Homebush fall?---Strathfield.

And can you tell us about the contact you had with Mr Stavis at this stage about that Kanoona Avenue project?---I can't recall if it was myself that reached out to him or if it was Marwan that reached out to him, but we set up a meeting at Botany.

40 Who sat up, who, sorry?---I say we because I can't recall if it was myself that reached out to Spiro or if it was Marwan that reached out to Spiro. One of us reached out to Spiro.

And what's the next thing you remember in terms of a contact with Mr Stavis?---We had lunch together at a pub in Botany.

And who was present at the lunch?---Myself, Marwan and Spiro.

And what was the purpose of the lunch?---To ask him if he's interested to prepared the statement of environmental effects for the project and act as planner.

And what stage was the project at, at that point?---It wasn't lodged as a formal DA, that's why we were looking for a town planner. I can't recall. It would have been concepts or schematics, very early on.

10 Was this something that – I withdraw that. You understood Mr Stavis to be employed as a planner at Botany Council at the time?---Correct.

But you wanted him to do some work outside of his employment by Botany Council but at the same time - - -?---Correct.

- - - as he was employed at Botany Council.---Correct.

20 If you'd just excuse me one moment. Is it possible that the project that you approached Mr Stavis about, pursuant to which you had lunch at a pub in Botany, was a project that you had previously worked on at Strathfield?---I don't believe, no, I don't believe so.

Is it possible that there was a project that Mr Stavis had previous worked on when he was at Strathfield?---No, I don't believe so. Sorry, if I may ask, when you say a project that he had worked on, do you mean was the, was the request made to me to discuss that project?

30 Well, I'm just trying to find out the relationship between the project that you had in mind for Kanoona Avenue and the work that you understood Mr Stavis had previously done at Strathfield, if any?---The only relationship, the only relationship, so to speak, that I had with him when he was at Strathfield, was the application on Liverpool Road. I believe he left, my recollection serves me that he felt before the application had made its final recommendation.

In respect of Liverpool Road?---In respect of Liverpool Road, yes.

Yes. And had Mr Stavis done any assessment work at Strathfield on 1-9 Kanoona Avenue, Homebush before he left Strathfield?---I don't believe so.

40 Thinking, I just want to test it by looking at it in a different way, thinking of the time that you understood Mr Stavis to have left Strathfield, where was your Kanoona Avenue project at?---I can't recall.

How did you learn that Mr Stavis left Strathfield?---I believe, as I mentioned a moment ago, I believe that he was assessing the Liverpool Road application. He's the one who, and I'm paraphrasing and simplifying that he, he was the one, along with his team, that looked at moving that floor

space that was an issue for us, that was an issue for Marwan, because he wanted it compliant to - - -

On Liverpool Road? The project, yes.---On Liverpool Road. And if I may, if I recall correctly, the, he may have left towards the end of the lifecycle of that application and didn't see it through to a council meeting.

10 Excuse me a moment sir, I apologise. Now, can I just ask you about your contact with Mr Stavis in relation to the Kanoona Avenue project? You wanted him to perform a particular function of drafting the statement of environmental effects, is that right?---I believe so.

And doing pre-DA work, is that right?---No, not pre-DA work, just writing the statement of environmental effects.

20 It isn't right that you sought his advice on this occasion? I'm thinking about the contact that resulted in a lunch at a pub in Botany, that you approached him, seeking his advice about removing bulk from a building and placing it on top of a building even though it meant it was going to go over the height limit slightly?---That's the situation that I referred to earlier on the Liverpool Road project. That was, that had already been in play with council prior to. So we didn't, I didn't approach him to discuss that particular matter.

Commissioner, can I make an application to vary a section 112 order in respect of the transcript of a hearing conducted in 27 February, 2018, pages 1356 to 1357, commencing at 1356 at line 25 and continuing to line 25 on page 1357.

30 THE COMMISSIONER: I vary the nonpublication order over the transcript of an examination of 27 February, 2018, to exclude from the nonpublication order, page 1356, line 25 to page 1357, line 25.

**VARIATION OF SUPPRESSION ORDER: I VARY THE  
NONPUBLICATION ORDER OVER THE TRANSCRIPT OF AN  
EXAMINATION OF 27 FEBRUARY, 2018, TO EXCLUDE FROM  
THE NONPUBLICATION ORDER, PAGE 1356, LINE 25 TO PAGE  
1357, LINE 25.**

40

MR BUCHANAN: Mr Chanine, I'd like you to assist us, if you could, please, you gave some evidence to the Commissioner on 27 February, 2018, and what I want to do is read out to you, an extract of the transcript of that evidence. I'd like you to listen and I'd like you to, and I'll be asking you a question about the relationship between what you've just told us about what you were seeking from Mr Stavis after he'd left council and led to this lunch at Botany on the one hand and the material I read to you. So, that's just so

you understand where this is going. Question, "You said that he also had a private practice, had you ever met Mr Stavis outside his capacity as a council officer." Answer, "Yeah, I met him once after he left Strathfield Council. I think he moved to Botany Council. I asked to meet him to get some advice on the application that was at Strathfield Council. It still hasn't been assessed." "And why did you meet Mr Stavis for that purpose?" Answer, "To get his take on the application, and there were several issues with the application and I wanted to get his take on it, so when one office leaves, it just gets dumped with somebody else. We had, through his direction, done certain things with the application, in terms of reshape the building in a particular way, and just wanted, I guess, that comfort to see whether we should stick with that or deviate from that plan." Question, "But Mr Stavis was no longer at - - -". Answer, "No." Question, "- - - Strathfield at the time." Answer, "Correct." Question, "He was at Botany?" Answer, "Yes." Question, "So why, why would he have been able to give you any comfort about what would happen at Strathfield?" Answer, "Just for advice, his thoughts." Question, "And why would his thoughts have been helpful to you?" Answer, "Because he was working there, to know whether it whereabouts going to have any chance of succeeding or not." Question, "when you say he was working there, do you mean - - -". Answer, "He was working previously at Strathfield Council." Question, "And you wanted to get his take on whether what you'd done to the plans - - -" Answer, "Yes." Question, "- - - were likely to have chance of success?" Answer, "Correct. He wanted us to remove the bulk from the building and place it on top of the building even though it meant it was going to go over the height limit slightly, it would provide better green space and open space. We were hesitant about that at first but we had gone through so long through the application process and got to a point where it whereabouts supportable by the staff at that point in time. We just weren't sure because the councillors, at that time, were worried about height, so that's why we spoke to Spiro." Question, "You said he wanted?" Answer, "Yes." Question, "That was - - -". Answer, "Spiro in his capacity when he was in council at the time. His and his staff, him and his team." Question, "At Strathfield?" Answer, "All right Strathfield." You've heard what I just read out to you, that doesn't seem to be the same as what you've just told us about your approach, your contact with Mr Stavis after he'd left Strathfield, does it?--- No, it doesn't.

Can you provide us with an explanation for that?---I couldn't really recall the specifics. I thought at - - -

When couldn't you recall?---Today.

Yes.---I thought the initial conduct of that meeting was to ask him if he could write that report but from what you're reading that is what I said and by and large that all is correct.

So you tell us that you approached Mr Stavis after he had left Strathfield and when he was working at Botany to as it were pick his brains - - -?

---Correct.

- - - about the prospects of success of a solution that was being considered for a design issue on the Liverpool Road project from the sound of it. Is that right?---Yes, I believe so.

10 Well, you need to be fair to yourself, Mr Chanine, and I don't want you to stick to a version or give a version just because you have been told that you gave that version on an earlier occasion. I want you to feel free, and indeed you have to feel free, to give the Commission your best understanding, now that you've been provided of course with that extract from the transcript from 27 February, 2018. Do you understand?---Yes.

And so please don't think that you are locked in for any particular reason. You're simply being asked to give truthful evidence as you sit there in the witness box.---Of course.

20 That's all. And so I've drawn your attention to what would appear to be a different version and I'll just ask again now, forget about the fact that there might be an inconsistency between what you said in February and what you told us earlier about what the purpose was of the approach to Mr Stavis after he left Strathfield. What is your best recollection of what the purpose was of your approach to Mr Stavis after he left Strathfield and when he was at Botany?---I can't recall specifically exactly the main purpose of the approach. In light of rereading my earlier comments from February and then the comments of today, we would have discussed, I presume that we would have discussed both because that would have been my recollections  
30 from before and today my recollections mainly were about the report that we requested that he write for us.

Can I ask you this, at the time that you had this discussion with him after he had left Strathfield and while he was working at Botany, just thinking if you can, where was the DA for Liverpool Road at, had it been approved or hadn't it been?---It hadn't been approved. From recollection the reason it may, it was brought up to pick his brain was I believe it, I believe it was recommended for approval. There was a lot of difficulty in getting that DA approved through council through the councillors when it went for a vote.  
40 There was a large resident action group against the development because it was over height, et cetera. Once again it was over height because council had asked us to do that particular, perform that particular part of the design. So going back I think we wanted an insight from Spiro as to whether, whether we should drop it, whether we should, does he think it's going to go through in that way. I can't really recall exactly why but the testimony that I gave in February, in February sounds, sounds reasonably accurate from my recollection.

Was there a section 96 application on foot or contemplated in respect of the Liverpool Road project at the time that you approached Mr Stavis when he was working at Botany?---Liverpool Road?

Mmm.---No.

And was a section 96 application ever made?---No.

10 And – yes?---Do you mind me, the Kanoona Avenue project, it was reminded, I was reminded in my February, sorry, don't know what the term is, when I was - - -

I'll just pause and remind you that a suppression order was made in respect of it, it's been varied to an extent.---Okay.

20 But otherwise an application would need to be made and a direction made for any variation of that position to occur.---Sorry, you lost me a little. Commissioner, what I was thinking is if I could explain that Kanoona Avenue development between, DA versus section 96, because Mr Buchanan is it, Mr Buchanan asked about a section 96 for Liverpool Road.

THE COMMISSIONER: Right. Just hold on for a sec.---Sorry.

MR KIRBY: I don't have a copy of the transcript so I don't know whether or not this actually did - - -

30 THE COMMISSIONER: Okay. Hold on. As Mr Buchanan has indicated, there are particular orders in place. You wanted to - - -?---I'm happy to sit back and just - - -

All right. How about - - -

MR BUCHANAN: Can I make this suggestion, that we have a five-minute adjournment.

THE COMMISSIONER: Yes.

40 MR BUCHANAN: And if anyone wants to take advice from their legal representative they're at liberty to do so.

THE COMMISSIONER: That would probably be a good idea. All right. We'll just adjourn for five minutes.

**SHORT ADJOURNMENT**

**[3.32pm]**

THE COMMISSIONER: Right.

MR KIRBY: I have no application to make, Commissioner.

THE COMMISSIONER: All right. Thank you, Mr Kirby.

MR BUCHANAN: Having had that adjournment, is there anything, Mr Chanine, you'd like to add to what you've said on the subject of what the purpose was of the approach to Mr Stavis when he was working at Botany Council and you ended up having lunch at a pub in Botany?---I can't recall specifically the instigation of that meeting, whether it was to write a planning report of some kind for us in relation to the project at Kanoona Avenue, whether it be a DA or a section 96 I can't quite recall, as well as discussing the issues at Liverpool Road.

Excuse me a moment. What I'd like to do is to show you a document. It comprises a series of photographs. The photographs are of the screen on a mobile telephone. The mobile telephone is that of Spiro Stavis and what is on the screen is emails. So for the purposes of the inquiry, the photographs have been put on 11 pages together and we're showing you currently photograph number 1 – sorry, the photograph on the first page.---Yes.

You can see that it's an email from you sent on Saturday, 25 October, 2014 to Spiro Stavis, subject, New Job.---Yes.

“Hi, Spiro. I've got a job of ours, of like, you to act on, when could we meet? Homebush address.” Do you see that?---Yes.

Do you recall sending that email?---I don't recall specifically but it looks like my email.

Do you know why you used the words, “Homebush address,” in the email? ---To identify the LGA of which the application is.

And if you could turn over to page 2, it's an email the same day at 10.45am, the first one is at 10.20am, 10.45 Mr Stavis replies, “Hi, Ziad, I can meet you on Monday for lunch around Botany/Mascot. Name the time and place if it suits.” You received that email?---Yes.

You'd accept that?---Yes, I accept that.

Page 3 there's the top of – sorry, the second half of the page, an email which is the top of that email that we just saw on page 2, but there is also the bottom of the email which appears on page 4. And can you see that that is an email at 11.22am from you to Mr Stavis saying, “Hi, Spiro, Monday is not good for me. How are you placed Tuesday lunchtime?” Do you see that?---Yes. I'm sorry, I was a bit confused. Yes, yes.

Before I depart, could I just ask you to note the address that is set out on the top of page 3 in your signature, it is Drummoyne. So as at the time of October, 25 October, 2014, that was where your office was?---Yes.

Going over to page 5, this is an email from Marwan.---Yes.

10 And he has written it to you and to Spiro. The heading is New Job. “Spiro, you’re the new man of the area, location of your choice, please advise, lock in 12.30.” And I should have mentioned this is at 12.22pm on Saturday, 25 October. Do you see that?---Yes.

So you had some contact with your brother about this?---He was copied in on those prior emails.

Thank you. Why was he copied in?---(No Audible Reply)

20 I’m not saying he shouldn’t have been, I’m just simply asking.---No, no, no, I’m just, I’m actually just making sure that I did see his name on the preceding page which, yes, he was copied in.

Yes.---Because it was his development.

But what was it – well, I withdraw that. We’ll come to it. Page 6, email from Spiro Stavis. Can I just pause for a moment. Email from Spiro Stavis to yourself and your brother, 25 October at 12.54pm. “Tennyson Hotel at 12.30pm on corner Botany Road/High Street. See you on Tuesday. Regards, Spiro Stavis.”---Yes.

30 Now, that is consistent with the evidence that you’ve given about a lunch being arranged in Botany - - -?---Yes.

- - - subsequent to an approach in relation to a new job.---Correct.

Can I take you then to page 7 and it is an email from Spiro Stavis to yourself and your brother, but the date, if I can take you to that first, is 30 November, 2014 at 4.26pm.---Yes.

40 And the heading is, 1-9 Kanoona Avenue, Homebush, Draft Report and Final Invoice. “Hi, gents. Draft report attached for review. There are some minor yellow bits to fill in, Ziad, please do and return so I can finalise tomorrow night.” Right?---Yes.

Now, I’ll come to the rest of the pages in a moment but I just want to pause here. It was a report that you were commissioning it would seem in so far as concerned Kanoona Avenue, Homebush.---Yes.

You would agree?---Correct.

And there's two attachments that are, links to which are at the bottom of page 7. One appears to be a tax invoice and the other appears to be a DA report for Homebush.---Correct.

10 And then if I can take you to page 8. This is an email from yourself to Spiro Stavis, cc to your brother. Subject Kanoona. "Hi, Spiro. Hope all is well. I've had one of my staff review and provide attached. I will a double-check tomorrow and revert back. Sorry was caught at work function all day and didn't get into office until late. The only difference is the parking rates. My staff have calculated the below." And I appreciate that there is no indication of an attachment but it sounds as if there was an attachment. Is that right? ---Possibly. Possibly. As I was reading it I was looking below and couldn't see anything.

THE COMMISSIONER: Isn't there attached - - -?---There is a, I don't know if that's, there is an attachment but I don't - - -

20 MR BUCHANAN: Oh, yes. Thank you. It's now been blown up on the screen and we can see there is an attachment.---It's an image and potentially based on my experience that could be a, sometimes when you do a copy and paste from a PDF, if you copy and paste it and then on the receiving end sometimes it shows up as just, as an attachment. You have to click on it to then actually open it.

And the reference to parking rates is a subject or a sub-subject of the report I take it?---I believe so.

30 Turn to page 9. From Stavis to yourself and your brother, 2 December, 2014 at 7.03pm, "Hi, Ziad. Final copy attached in Word. Call if there are any issues. Please make payment when you get a chance. Cheers and good luck." You see that.---Yes.

40 Now, can I just ask you about the next email that's on page 10. It's dated 6 December, 2014 at 6.59pm from you to Spiro Stavis, "Thanks, Spiro. Go for it. Please proceed a.s.a.p. Please write up as strong an argument as possible. Definitely I'm willing to go for it as the three car spaces are there existing and being used. It's merely a matter of enclosing the space for safety and security. Below is an extract of the area as approved in the CDC." And then there's a, well, there's at least an image attached. Was there a bit of toing and froing going on as to whether the report was actually finalised?---No, the report was finalised. I believe this is in relation to another matter altogether and what jogged my memory is the part about three cars being existing and it's just a matter of enclosed. I think I may have asked him, from recollection, I'm not 100 per cent sure but based on this email I'd asked him to look at enclosing, I've got three car spaces at my house which is an open, open car spaces and I asked him if I can lodge an application to council to enclose it into a garage and up here it looks like this is what is, is being referred to.

So it would be pursuant to some conversation you had had with him on the subject previously?---Possibly.

Turn then to page 11. Excuse me a moment. There's a pre-existing nonpublication order in respect of addresses and email addresses.---Okay.

So we can talk about it. It can't be published. Do you understand?---Yes, yes.

10

As far as others might be concerned.---Understood.

So this is an email to you from Spiro Stavis on 8 December at 12.02, "Hi, Ziad. Unfortunately I'm not going to be able to help as I've just been appointed the new director of planning at Canterbury. Happy to recommend someone good. Call when you can. Regards, Spiro." And was that address that's at the top of the email the address that you had in mind earlier?---Yes.

20

Thank you. I tender the 11 photographs of emails from Mr Stavis' phone.

THE COMMISSIONER: All right. The 11 pages, consisting of photographs of emails from Spiro Stavis' phone, will be Exhibit 116.

**#EXH-116 – SCREENSHOTS OF EMAILS FROM SPIRO STAVIS' GMAIL ACCOUNT DATED 25 OCTOBER 2014 TO 8 DECEMBER 2014**

30

MR BUCHANAN: Now, that last page, which says, "I'm not going to be able to help because I've just been appointed - - -

THE COMMISSIONER: Sorry, Mr Buchanan.

THE WITNESS: Sorry, Mr Buchanan.

40

MR BUCHANAN: Oh, I'm sorry.---I think you made a comment earlier which I think I understood, but it's just coming back. That, when you mentioned there's been a suppression order et cetera, does that mean that that address won't be - - -

I mean, to the extent that I can give you legal advice - - -?---Sorry, I mean - - -

That is so. That's my understanding of the effect of - - -?---I know that there are transcripts and whatnot and I don't know whether these are also made public et cetera and - - -

It extends to the evidence, the suppression order extends to all evidence in whatever form, that contains an address. Actually, it's in respect of data which comprises addresses and telephone numbers and email addresses in the evidence before the Commission.---Okay, thank you.

So, I was just trying to reassure you when you - - -?---Thank you,

10 Can I ask you about the last page where Mr Stavis said, "I'm not going to be able to help because I've just been appointed the new director of planning at Canterbury." You, I take it, were aware at the time you received that email on 8 December, that Mr Stavis was applying for the job?---I believe so. My recollection serves me to the fact that at around that time, I had been made aware that he - - -

How had you been made aware?---I can't recall whether he mentioned it at lunch or whether I had heard it through the grapevine.

20 Well, are you saying you genuinely don't have a recollection? I withdraw that, I withdraw that. The day you sent your email on the first page of Exhibit 116, at 25 October, 2014 was the day, I can inform you that the evidence before the Commission shows that Mr Stavis applied for the job. So, assuming that, if you would, then your lunch with him was four days later, have I got that right? Three days later.---Seems to be.

It seems inconceivable that Mr Stavis wouldn't have mentioned it to you at that lunch, doesn't it?---Yes.

30 It'd be very unlikely, he wouldn't have mentioned it?---That's why, that's why I make the point that he may have mentioned it then.

Yes, I actually asking a question about your memory. Do you mean to say you don't remember him talking to you about the fact that he had applied? ---I don't recall specifically.

Well, I want to suggest to you that that is a bit unusual, given you had an interest in the position of director of city planning at Canterbury at that time, didn't you?

40 MR KIRBY: I object.

THE WITNESS: 2014, I can't recall what particular development there was - - -

THE COMMISSIONER: Well, sorry, what's the objection?

MR KIRBY: Well the objection is that it's just an ambiguous question, having interest in the director of planning at Canterbury, does that mean - - -

THE COMMISSIONER: Well, I think the witness understood the question.

MR KIRBY: The witness did seem - - -

THE COMMISSIONER: So he - - -

MR KIRBY: The witness answered, so - - -

10 THE COMMISSIONER: Mr Buchanan, proceed I think. The witness understood the question.

MR BUCHANAN: See, at the time of 25 October, 2014, or the later lunch on the Tuesday afterwards, Doorsmart was getting going, wasn't it?---I can't recall.

20 You don't have a recollection when you were told by Spiro Stavis that he was applying to be director of city planning at Canterbury, oh, that's interesting, we've got or going to have applications to be considered at Canterbury. No memory of thinking that?---No, I don't recall that.

THE COMMISSIONER: Also the impression I got when you were describing your practice was that a lot of your work came from the Canterbury area.---We did a lot of, we did a lot of work in Canterbury, it wasn't the majority of the work but we did a lot of work in Canterbury area.

So but you were regularly putting DAs for example - - -?---Yes.

30 - - - to Canterbury Council?---Yes. Amongst others, we did a lot of work in the inner west, so Marrickville Council was another council that we did a lot of work in as well.

But wouldn't that profile of the work that your firm did also prompt an interest in Mr Stavis applying for that position?---From us specifically?

Mmm, well, from you having lunch with him or - - -?---No, I don't believe so. You mean would he have applied for that position knowing - sorry?

40 No, no, no, no, no. You've been asked questions about that you were interested when you heard Mr Stavis say to you at lunch, I've put in for this job.

MR PARARAJASINGHAM: Well, I object, Commissioner.

THE COMMISSIONER: Sorry?

MR PARARAJASINGHAM: It's not my recollection of this witness's evidence. I believe is evidence is that he has no memory of any such comment being made by Mr Stavis as to putting in an application for

Canterbury. It was suggested that it was likely that perhaps he did and my memory is that he may have accepted that as a likelihood, but the memory of this witness is that no such comment was made to him by Mr Stavis. Now, I stand to be corrected but that's my recollection of the evidence.

THE COMMISSIONER: My recollection is something different, but again I'll be corrected.

10 MR BUCHANAN: Commissioner, with respect I must concede that Mr Pararajasingham has a point.

THE COMMISSIONER: Okay. All right.

MR BUCHANAN: But - - -

THE COMMISSIONER: Thank you, Mr Pararajasingham.

20 MR BUCHANAN: If I could ask you a few more questions though on this subject. What I'm asking you about is your recollection as you sit there in the witness box. If it was the case, as you told the Commissioner, that you had from time to time applications before Canterbury Council, it was not unusual for you to have applications before Canterbury Council, then it seems that if you had been told at that meeting by the man who had four days earlier put in an application for the DCP that he had done that, that would stick in your mind?---Yes.

30 Because you would remember – I withdraw that. You would remember learning that you were going to have a person you knew possibly becoming the director of city planning at Canterbury. Wouldn't you remember that? ---You lost me, sorry. So the question is, would I remember that?

Yes.---Yes, I would remember that.

And you're saying you don't remember that?---I don't recall that, that's right.

40 THE COMMISSIONER: Your evidence – sorry, I'm looking at my notes – you knew that he'd applied for the job, you were just uncertain whether Mr Stavis told you at the lunch or you heard it through the grapevine.---Correct.

MR KIRBY: If I can assist, my recollection is that when Mr Chanine was asked about that and whether Mr Stavis may have told him and if so the circumstances of that telling, Mr Chanine just hazarded a guess that he could have told me at the lunch.

THE COMMISSIONER: No, that's not my note. He agreed he was aware Mr Stavis applied for the job, but agreed that it was either he mentioned it at lunch or through the grapevine but you weren't certain.

MR KIRBY: Yes.

THE WITNESS: When you said I, sorry, I think I recall that the question was asked of me on the last page, which is when he said, "Unfortunately I'm not, I'm now, I've taken the appointment as new director."

10 THE COMMISSIONER: Ah hmm.---I think the question was, or my understanding of the question that was asked of me was, did I know prior to that that he had applied, I could stand corrected, but that's what I understood.

Ah hmm.---And that's when I said yes, I couldn't recall whether he mentioned it at the lunch or whether I heard through the grapevine.

Heard through the grapevine, yeah.---So preceding that date of 8 December.

20 MR BUCHANAN: And what I want to pursue, I apologise if I seem to be labouring the point, is that knowing as you do now that only a few days before the lunch Mr Stavis had applied for the job, it seems very unlikely that he wouldn't have told you at the lunch, doesn't it?

THE COMMISSIONER: I'm going to allow the question.

MR KIRBY: Commissioner, if you just hear my objection, it is asking this witness to put himself in the mind of Mr Chanine, which is essentially what Counsel Assisting - - -

30 THE COMMISSIONER: He is Mr Chanine.

MR KIRBY: Sorry, the mind of Mr Stavis, which is essentially what Counsel Assisting is asking, that is, it would be likely that Mr Stavis would act in a particular way, assuming, as I'm asking you to assume, that he had done something a few days earlier. How can that be, first probative of anything, and secondly, it's an unfair question to ask Mr Chanine to put himself in Mr Stavis' mind.

40 MR BUCHANAN: Commissioner, this is an inquiry and we deal with all sorts of levels of probity value and reliability and there are all sorts of different ways of exploring an issue, including obtaining a witnesses view as to the likelihood of matters occurring or not occurring. As the case may be, in particular, and not excluding the behaviour of other people, other people who may know.

THE COMMISSIONER: I'll allow the question.

MR BUCHANAN: It seems, surely you would agree, quite unlikely that Mr Stavis did not raise with you and Mr Marwan Chanine, at the lunch on the

Tuesday after the Saturday he'd applied for the job of DCP at Canterbury, that he had made that application, doesn't it?---I'm finding it difficult to answer the question. I don't know.

Why are you finding it difficult?---Because I don't know.

Yes, but you know the man, don't you?---I do. When you say I know the man, I know, yes, I do know the man. I don't know him intimately and personally.

10

You know him very well, don't you?---Not extremely well.

You know him very well, Mr Chanine, don't you?---I wouldn't say that I know him very well.

And you've had a chance to assess the character of Mr Stavis over the period that you've known him, haven't you?---Yes.

20

He was a person that you had reason to believe had earlier in 2014, I'm sorry, earlier been in financial difficulties, correct?---I believe so.

He was in a planner's position, sorry, a senior planner's position at Botany Council at the time you were lunching with him?---I'm not sure what his exact position was. I know he was planner there.

But he wasn't the director of city planning at Botany, was he?---No, he wasn't. No, I don't believe so.

30

No. And accordingly, a position of director of city planning at Canterbury would be likely to entail an increase in his income, wouldn't it?---I presume so.

The likelihood is that Mr Stavis told you and your brother at this lunch that he had applied for the job, isn't it?---He could have done so but I don't recall.

40

You really don't want to answer that question, do you?---You're asking me to, to say whether, whether, whether he would have or whether it's likely that he would have. I, I can't recall. Potentially, yes but I just can't recall whether he did or did not.

Now, were there any other lunches that involved Mr Stavis before the end of December, 2014, in which you were involved?---No, I don't believe so

So, there was only one lunch?---Correct.

How many lunches have you ever had in your life at which Mr Stavis was present?---Just the one, I believe, I only recall the one.

You don't recall multiple lunches?---No.

Do you know whether your brother has had a lunch or lunches with Mr Stavis when you've not been present?---I don't know.

Mr Chanine, your brother hasn't ever indicated to you that he's had a luncheon meeting with Mr Stavis?---I don't believe so.

10 Going back to Exhibit 116. You saw didn't you when – sorry, page 9. You saw that in relation to the report that Mr Stavis provided that he said, “Please make a payment when you get a chance.” This is on 2 December, 2014.---Yes.

And that's at the same time as – I'm sorry. That's two days after he has provided you with the draft report and a tax invoice. I'm looking at page 7. ---Yes. 30 November and then 2 December.

20 So it would seem from that that Mr Stavis was communicating to you that he would like to be paid very, very soon given that he sent the tax invoice before he even sent the final report.---Correct. That's general practice within professionals.

It's consistent with a person being in need of money isn't it?---Not necessarily. I just mentioned that's general practice. In general practice would have been, we'd issue, even we do this. We'd issue a report, a draft report with a tax invoice. Generally, depending on the person, some consultants would not even release their final report without a final payment.

30 And then two days later asking for payment?---Yes.

And - - -?---We haven't done, we haven't done work, I hadn't done work with him prior so I can only just put it, put that down to he doesn't know me and I don't know him in that respect in terms of business dealings so asking for payment asap.

Did you pay him straightaway?---I can't recall.

40 Now that you've seen these emails I just need to go back to a question that I asked you earlier just to check whether you're still of this memory. Was the report a statement of environmental effects?---I believe so.

One wouldn't normally describe a statement of environmental effects as a report would one?---Yes, we would.

Okay.---Some would refer to it as a planning report.

Thank you. Now, in 2014 did you ever learn – no, I'll rephrase that. I apologise. I withdraw that question. Before the lunch you had with Mr Stavis just after 25 October, 2014 did you ever learn that the position of director of city planning at Canterbury was vacant or about to fall vacant or needing to be filled?---Sorry, can you repeat that, please.

Yes, sure. So thinking of the lunch at the Tennyson Hotel, Botany.---Yes. I'm just trying to find the date.

10 Well, it's the Tuesday after 25 October and that's a Saturday.---Okay. Yeah, 28.

I'm told it is the 28<sup>th</sup>. So thinking of that occasion, before then did you learn that the position of director of city planning was vacant or was about to fall vacant or going to fall vacant or that it needed to be filled?---Yes.

When did you first learn of that?---I don't know. Don't know a specific time.

20 What were the circumstances in which you learned that on the first occasion?---I can't recall if it was hearing that Marcelo had resigned or whether Spiro had been appointed.

Well, you learned that Spiro had been appointed because he told you. ---Sorry?

30 You learned that Spiro had been appointed because he told you a fair bit after that lunch and what I'm after is before that lunch what your knowledge was and when you acquired it as to the position being vacant or about to fall vacant or needing to be filled?---I can't remember, I can't remember when I first found out.

And can you remember from whom you found out?---No, I can't recall.

Can I ask you whether Bechara Khouri ever indicated to you that Canterbury would need to or did need to fill the position of director of city planning?---Possibly.

40 Because he was a person who had good connections at Canterbury, wasn't he?---Yes.

The best connections in terms of his relationship with Jim Montague. That would be fair to say?---I knew that they were friends.

And were friends of long standing?---I believe so.

And talked to each other regularly.---I don't know how often they talk to each other.

And talk to each other about council issues and council business.---I'm not sure what they discuss amongst themselves.

Well, Mr Khouri, one of the services Mr Khouri provided to you and your brother was to provide you with intelligence on issues related to councils, the regulator, when it came to development and planning, wasn't it?

---He would help navigate through.

10 Yes. And one of the ways in which he would help would be by providing you with information.---At times.

So I'll just ask you again. Did Mr Khouri ever say, oh, look, Marcelo's on his way out, or, Marcelo's just resigned, or, did you know that the position of director of city planning at Canterbury needs to be filled?---He may have. I can't, I can't recall if I heard it first from Bechara.

20 THE COMMISSIONER: When you were asked about being aware Mr Stavlis applied for the job, the two options you put was he mentioned, sorry, Mr Stavlis mentioned it at lunch or I heard it through the grapevine. When you referred to the grapevine was part of the grapevine Mr Khouri?---It could have been, it could have been. There was a lot of talk around the community about that position.

But Mr Khouri, as you've said that he did help you navigate, he provided with information, so he was part of the grapevine - - -?---Yes.

- - - that you relied upon.---Yes.

30 MR BUCHANAN: So did you have any contact with Mr Stavlis before that lunch on 28 October, 2014, about whether he should apply for the position of director of city planning?---No, no.

Or anything at all in connection with filling the position of director of city planning?---No.

Did you have any understanding that Bechara Khouri before that lunch had any contact with Mr Stavlis about him possibly applying for the position?

---He didn't mention anything to me.

40

Do you know, apart from what he might have mentioned to you, whether Mr Khouri had any contact with Mr Stavlis before that lunch on 28 December, sorry, 28 October, 2014, do you know from whatever source whether Mr Khouri had contact with Mr Stavlis about him becoming a candidate or possibly becoming a candidate for director of city planning at Canterbury? ---No, I'm unsure.

Is that the sort of thing that you would have hoped or expected or not be surprised that Mr Khouri would have done?---On my behalf you mean?

At all?---No, sorry, can you repeat the question so I can understand?

Yes, sure. Mr Khouri had a relationship with councillors and with senior staff of councils in a number of different local government areas. Is that your understanding?---I believe so.

10 And he was a bit of a wheeler-dealer. Is that fair to say?---Your words, sir.

Well, you're not disagreeing with it?---I wouldn't say wheeler-dealer but I know that he was in several businesses et cetera, like, so he had his fingers in many different businesses and the like.

And politically had had his fingers in many different pies, didn't he?  
---From my understanding I believe so.

20 You knew he was connected to the Labor side of politics?---I believe so.

And had friendships with numerous people, particularly on the Labor side of politics in the Canterbury-Bankstown area?---I believe so.

And that was one of the values of Mr Khouri to you and your brother, wasn't it, that he had these connections?---That helped.

30 And was able to provide information to you and your brother from time to time, political information?---I wouldn't say political information. That's not what we - - -

Information derived from political connections?---My involvement with Mr Khouri was more at the front end of the applications, in terms of through the assessment process. So, I'm not quite sure, I'm trying to recall if there was political information. I can't recall.

40 But having friends in positions of, I was going to say power, but decision making, to be more precise, having friends in positions of decision making, where the decisions had an effect upon your business and your brother's business, was a good thing for your brother and you, wasn't it?---I wouldn't say it's a bad thing. Yes.

And Mr Khouri was integral part, I want to suggest to you, of that aspect of your business and your brother's business, to your knowledge?---I wouldn't say integral part, no, because he was, he was - - -

What would you say?---Sorry?

What would you say in that regard?---Because he was only used from time to time. He wasn't an employee of the organisation et cetera.

He wasn't on staff?---No.

No. But nevertheless he had this, how could you call it, consultancy relationship with you, is that the right word to use?---I guess so, I guess so.

And he derived an income from it?---I believe so.

10

Did you ever pay him money?---The, not for that service, no. He provided the architectural practice some consultancy roles, some consultancy services in assisting us, well, sorry, I take that back. He would recommend us to clients and I would give him a referral fee on occasion.

And when you say clients, who would the clients be?---I believe other developers, Dildam Developments and I think that's the only one.

20

But he performed services for you and your brother in relation to projects in the Canterbury local government area, didn't he?---He performed services for my brother.

But you, I withdraw that. Did you not ever take part in a meeting with people at say, Canterbury City Council, where that meeting had been organised by Mr Khouri?---Not sure who the instigator of the meeting would have been but it would potentially.

30

And that Mr Khouri would have been present, maybe not participating, but present? That happened from time to time, didn't it?---I believe so. My recollection serves me that I may have sat in on a meeting, on meetings with him.

So, he was at least used by you and your brother to use his connections on local government in the Canterbury area to assist in bringing you and your brother together with decision makers at council level, general manager level, director level?---Sometimes.

And was he paid for that work?---I don't know.

40

Did you pay him for that work?---No, I didn't.

What was the incentive for him to do that work if you didn't pay him?---My brother could have paid him, possibly.

The meetings that he used his connections to organise, in say, the Canterbury local government area, were from time to time, of assistance to you and your practice and in your conduct of a particular project, is that

right?---If I can put that back to you, sorry, you mean, do I, did I ask him to facilitate meetings and the like, for - - -

No. The meetings were of benefit to you and your business. The meetings he organised were of benefit to you and your business, weren't they?---I'd say so.

But you didn't, you tell is, remunerate him for that?---Correct.

10 That sounds unusual. People don't usually provide services or benefits without expecting remuneration, you'd agree with that?---Not always, no.

Are you able to assist us as to what was in it for Mr Khouri, in providing that sort of service when it was provided for your benefit?---My benefit specifically?

MR KIRBY: I object to the question.

THE COMMISSIONER: Ah hmm.

20

MR KIRBY: The question is that when it was, well, the last part of the question when it was provided for your benefit suggests that Mr Khouri was providing the services motivated by and for the purpose of benefiting Mr Chanine's business. The evidence is that simply that it was beneficial for Mr Chanine's business to have these meetings set up or the facilitation of these meetings but that does not mean that the meeting was arranged for that purpose, that is to say, Mr Chanine had clients himself who were the ultimate beneficiaries of those meetings. He was an incidental beneficiary, his business was an incidental beneficiary so the question is unfair insofar as it infers that Mr Khouri set up the meeting for the benefit of Mr Chanine's business and that therefore it is unusual that Mr Chanine would not remunerate Mr Khouri for it.

30

THE COMMISSIONER: Mr Buchanan?

MR BUCHANAN: I am afraid I didn't read into my question and didn't intend it in the way that my learned friend suggests. I don't mind reframing the question if it will make things easier. I apologise. We need to go back over this. You attended meetings with decision makers at Canterbury Council which had been organised by Mr Khouri. Is that right?---Yes.

40

You got a benefit from those meetings didn't you?---At times.

Mr Khouri by organising those meetings was providing you with a benefit? ---I guess so.

What was in it for him as you understood it?---The last question that you asked doesn't necessarily - - -

No, no, no. That question that I'm asking you now. Forget about what I said before. What was in it for him as you understood?---I didn't necessarily ask him to arrange those meetings so I don't know what was in it for him. If they were arranged by a client then whether they remunerated him or not.

So are you saying then that when they were projects that you were working on with your brother that your brother may have remunerated Mr Khouri for the services he provided you and him. Is that right?---Correct.

10

Why was your brother - - -?---Service provided to him. Service provided to my brother.

I see. Your brother never ever remunerated Mr Khouri for something that also benefitted you?---I don't believe so.

I note the time but I'll just see, Commissioner, whether I can get in a couple more questions before. Excuse me. I'm reminded of something that I need to, which means that I should pause in the examination and, Commissioner, I do have a bit more for the witness and so unfortunately it will be necessary for him to return on Monday.

20

THE COMMISSIONER: Yes, Mr Chanine, you will have to come back on Monday at 9.30.

MR BUCHANAN: Before that happens, I have an application.

THE COMMISSIONER: Could you just stay for a minute, please?---Yes, yes.

30

MR BUCHANAN: Commissioner, I don't know whether you have a copy of the script I have but my application is that you make an order that Mr Ziad Chanine be required to produce to the Commission by 4.00pm – it's been suggested to me that we just need to take into account practical considerations as well so can I foreshadow an order and come to the question of the date for compliance.

THE COMMISSIONER: Compliance date.

40

MR BUCHANAN: To produce to the Commission copies of all records including but not limited to agreements, correspondence, bills, invoices, receipts, payment records and/or bank records relating to, 1, fees, charges, payment or payment in kind for services provided by Chanine Design Pty Limited trading as CD Architects in relation to development applications prepared for, A, 212-218 Canterbury Road, Canterbury, B, 220-222 Canterbury Road, Canterbury, and/or C, 4 Close Street, Canterbury. And 2, this is the relating to version, second paragraph, any income received by Mr

Chanine as a beneficiary of CZM Chanine Family Trust between 1 January, 2014 and 31 December, 2016.

THE COMMISSIONER: I'm minded to make the order. You've heard the terms of it, Mr Chanine?---I believe so.

10 Good. The issue is compliance date. You've heard what is being requested. Now, is that going to be a relatively easy task for you to obtain those records or is it going to take you for example a couple of days or a week or - - -?---No, Commissioner, it won't be easy, only because the project is an archived project so I need to, to get, and then – sorry.

Sorry. And when you say archived - - -?---I need to, I need to go back to the files and, and dig up where it is stored in, within the files.

All right. I thought everything was on your computer.---Yeah, it, it is. It's, it's archived so I need to ask the IT people how to, how to re-get it because it's not in necessarily a folder that is archived that I can just access.

20 All right. Look, I'll put this to you, is it something you can do over the weekend?---I'll find difficulty over this weekend, only because it's my son's reconciliation on Sunday, so we've got a religious event over the weekend and it's, it's just a bit difficult specifically over the weekend.

MR BUCHANAN: What about Wednesday, 4 July in that case?---Yes.

At 4.00pm.---With regards to sorry, you wanted some accounting information as well by that specific time?

30 THE COMMISSIONER: Is that in respect of the second description?

MR BUCHANAN: Any income received by Mr Chanine, as a beneficiary of CZM Chanine Family Trust, between January, 2014 and December, 2016.

40 THE COMMISSIONER: Is that the one that you had in mind?---Yes, that's the one that I was referring to. I just have to ask the accountants that question or get my father to ask the accountants that question, whoever. That's not something that I can access myself.

All right. How, but you must have, unless it was, I'm sorry I'll start again. I would assume that you would have, for even taxation purposes, have a record of any income that you've received as a beneficiary of a trust?---Yes, that's, yes, that's why I answered earlier saying that I don't believe I've received any income from that particular organisation or trust.

Look, what I'm going to do, I'm going to make the order, I'm going to include a compliance time and date of 4.00pm on 4 July next week. If you

have difficulties, for example, with that second one, you'll have to raise it on 4 July and we can see what we can do, but at the moment I'll make the order with that compliance date.---Okay.

10 So pursuant to section 35(2) of the Independent Commission Against Corruption Act 1988, I order that Mr Ziad Chanine be required to produce to the Commission by 4.00pm on 4 July, 2018 copies of all records, including but not limited to agreements, correspondence, bills, invoices, receipts, payment records and/or bank records relating to, one, fees, charges, payment or payment in kind for services provided by Chanine Designs Pty Ltd, trading as CD Architects, in relation to development applications prepared for, A, 212-218 Canterbury Road, Canterbury; B, 220-222 Canterbury Road, Canterbury; and/or C, 4 Close Street, Canterbury. And, two, any income received by Mr Chanine as a beneficiary of CZM Chanine Family Trust between 1 January, 2014 and 31 December, 2016.

20 **PURSUANT TO SECTION 35(2) OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT 1988, I ORDER THAT MR ZIAD CHANINE BE REQUIRED TO PRODUCE TO THE COMMISSION BY 4.00PM ON 4 JULY, 2018 COPIES OF ALL RECORDS, INCLUDING BUT NOT LIMITED TO AGREEMENTS, CORRESPONDENCE, BILLS, INVOICES, RECEIPTS, PAYMENT RECORDS AND/OR BANK RECORDS RELATING TO, ONE, FEES, CHARGES, PAYMENT OR PAYMENT IN KIND FOR SERVICES PROVIDED BY CHANINE DESIGNS PTY LTD, TRADING AS CD ARCHITECTS, IN RELATION TO DEVELOPMENT APPLICATIONS PREPARED FOR, A, 212-218 CANTERBURY ROAD, CANTERBURY; B, 220-222 CANTERBURY ROAD, CANTERBURY; AND/OR C, 4 CLOSE STREET, CANTERBURY. AND, TWO, ANY INCOME RECEIVED BY MR CHANINE AS A BENEFICIARY OF CZM CHANINE FAMILY TRUST BETWEEN 1 JANUARY, 2014 AND 31 DECEMBER, 2016.**

MR BUCHANAN: That's all by way of administrative matters, Commissioner.

40 THE COMMISSIONER: All right. We will adjourn until - - -

MR PARARAJASINGHAM: Sorry, Commissioner. Sorry.

THE COMMISSIONER: I'm sorry, Mr Pararajasingham.

MR PARARAJASINGHAM: I'm sorry. Can I just raise just one very quick matter?

THE COMMISSIONER: Yes.

MR PARARAJASINGHAM: I assume this will be the case, but can I confirm that in Exhibit 116 included in that exhibit are mobile telephone numbers belonging to Mr Stavis, and at page 3 there are some numbers that were, at least at around the time of the email being sent, associated with Mr Chanine. I assume that they will be, there's a non-publication order extends to those numbers.

10 MR BUCHANAN: And more than that – that is correct, if I can assist, Commissioner – but in addition the addresses and phone numbers are going to be redacted when the exhibit is put on the website.

MR PARARAJASINGHAM: I thank my friend. Thank you.

THE COMMISSIONER: All right. We'll come back Monday, 9.30. Thank you, Mr Chanine.---Thank you.

And we will be adjourned until then.

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**THE WITNESS STOOD DOWN** [4.36pm]

**AT 4.36PM THE MATTER WAS ADJOURNED ACCORDINGLY**  
[4.36pm]