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INDEPENDENT COMMISSION AGAINST CORRUPTION

PATRICIA McDONALD SC
COMMISSIONER

PUBLIC HEARING

OPERATION DASHA

Reference: Operation E15/0078

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON FRIDAY 13 JULY, 2018

AT 1.00PM

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

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

THE COMMISSIONER: Are we ready to commence with Mr Maguire?

MR BUCHANAN: We are.

THE COMMISSIONER: Mr Maguire.

MS GALL: Commissioner, while Mr Maguire is making his way to the witness box, can I seek a section 38 declaration.

10 THE COMMISSIONER: Yes. Can you just hold on for a minute.

MS GALL: Yes, of course, Commissioner.

THE COMMISSIONER: I'm sorry, Mr Maguire, if you can just give me a minute. Thank you. Now, do you take an oath or an affirmation?

MR MAGUIRE: Affirmation.

THE COMMISSIONER: Now, Mr Maguire, Ms Gall has explained to you the direction I can make under section 38 of the ICAC Act?---Yes, Commissioner.

10 I always stress to every witness who is called either in a compulsory examination or a public inquiry that the protection is subject to one very important exception. That is, if you were to give false or misleading information or evidence I'm sorry in this public inquiry you may be prosecuted for an offence against the ICAC Act. It's like a form of perjury. It's a very serious offence. Brings with it a maximum penalty of a period of imprisonment.---Ah hmm.

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

30 **PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY THIS WITNESS AND ALL DOCUMENTS AND THINGS PRODUCED BY THIS WITNESS DURING THE COURSE OF THE WITNESS'S EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION AND THERE IS NO NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.**

THE COMMISSIONER: Mr Buchanan.

40 MR BUCHANAN: Commissioner. Sir, your name is Daryl Maguire?
---Daryl William Maguire.

And what is your occupation?---I'm a member of parliament.

And what is the seat that you hold?---Wagga Wagga.

For how long have you held it?---Almost 20 years.

You held in 2016 an appointment as a parliamentary secretary?---Correct.

You still do?---Yes.

When were you first appointed a parliamentary secretary?---2013 if I recall correctly.

And what portfolio or portfolios did you hold as a parliamentary secretary in 2016?---In '16, the Centenary of Anzac Veterans and Corrections.

10 Was Counterterrorism - - -?---And Counterterrorism was attached.

Do you know Michael Hawatt?---Yes.

How long have you known him?---Around 10 years.

In what circumstances did you first come to know him?---I met him during the by-election campaign in 2008. Approximately September if I recall correctly.

20 And in what capacity did you meet him?---At that time he was a candidate and I was whip of the opposition and my responsibilities were to assist candidates.

And for what seat was the by-election?---The seat was Lakemba.

At that time did you understand that he was a councillor on Canterbury City Council?---Yes.

30 What degree of association or communication did you have with Mr Hawatt between 2008 and 2016?---Occasionally I would bump into Mr Hawatt at conferences where members of our party would gather perhaps once or twice a year. Sometimes with state councils et cetera there would be more. In recent times, perhaps, end of 2014/15 I would have bumped into him more. I think that's about right.

40 And what were the circumstances in which in 2014/15 you would have bumped into him more?---I recall that the issue of council amalgamations was high on his agenda and I'm trying to think but around the end of '14 he was very active lobbying about the suggestion that our government would amalgamate councils.

What was the thrust of his lobbying, that is to say, to achieve what outcome?---Oh, the thrust generally was that he was opposed to the amalgamation of Canterbury-Bankstown and he I understood was lobbying wherever he could.

Was the prospect of amalgamation of councils generally something for which you had a particular responsibility?---No.

In 2014/15 did you have any other association with him, that is to say, did you have an association with him by reason of anything else?---If I recall correctly he was involved in some proposals for social housing and he and another fellow were seeking advice about how they could engage in pursuing this proposal. I'm trying to think of the fellow's name. Mr Vella. Mr Vella, mmm.

10 Thank you. And was that Godfrey Vella?---That's the name, yes.

And did he, that is to say, Mr Hawatt, approach you in that context?
---I believe so.

And do you know why he approached you?---I recall that the two of them wanted to pursue discussions with the Minister for Housing at that time and the proposal was on the other side of Bankstown if I, if I remember correctly, and Blacktown, and they wanted to talk to the Minister about it.

20 Were these two particular properties?---Mmm.

Or are you talking about a geographic area between Bankstown and Blacktown?---No. I recall that one was on the other side of Bankstown, I can't recall the suburb.

A particular site?---Yes.

Right.---Yes. And the other one was in Blacktown and it referred to a particular site.

30 And did either of those gentlemen give you any indication as to who the owner was of either of those sites?---I recall that the owner of one site was the Department of Housing, the owner of the other two sites was Mr Vella.

THE COMMISSIONER: Can I just ask you, when you say social housing
- - -?---Yes.

40 - - - is that low-cost housing or - - -?---From my recollection the proposal was that there was a state housing site that Mr Vella's property perhaps joined and he wanted to talk to the government about amalgamating that site and providing a low-cost housing.

MR BUCHANAN: Do you know why it was that they approached you, rather than another member of parliament?---No, I don't.

Do you know why Michael Hawatt was involved in that approach?---No, I don't.

Both sites were outside the Canterbury local government area. Is that right?

---I understood that.

You couldn't understand the connection between Mr Hawatt or his interest in these sites?---I thought it was just a friendship between him and Mr Vella.

10 And are you able to say just in summary form, were you able to progress that proposal or that inquiry?---What I did, when it was explained to me the proposal or the thrust of the proposal, after consideration I said that they should one, engage with the Department of Housing, and two, they should make an unsolicited approach which an arm's-length approach to government and if I recall correctly, provided the unsolicited approach website that you should address when you've got something of this nature that you want to engage with government.

20 Did you have any further contact with either of those gentlemen in relation to that proposal?---There was further contact, I recall that. My understanding and recollection is that the proposal or the proposal firstly to Department of Housing, it must have been in a verbal-type form, was rejected and there was a further request to meet the Minister, and that took some time to do because there are protocols that you must apply whenever someone wants to meet a minister with regard to, you know, meeting or talking about particularly government property. And those requirements were given to them and if I recall to a planner. I can't remember the planner's name.

So was it both Mr Hawatt and Mr Vella who had made that subsequent approach?---Yes.

30 And were these meetings that you held with them?---If I recall correctly, if I recall correctly, yes. The approach was made at my office where the request was made and perhaps some phone calls or texts asking me had I progressed that meeting.

And do you know whether the meeting took place?---I understand that paperwork was provided that the planner and Mr Vella were to complete because that's a requirement, and I couldn't tell you if the meeting took place. I can't recall that it did, I wasn't informed.

40 THE COMMISSIONER: And sorry, when you say your office, is that at Parliament House?---Yes, yes, Commissioner, we have an office there.

MR BUCHANAN: Aside from the approaches by Mr Hawatt with Mr Vella on that subject, in 2014-15 did you have any other contact with Mr Hawatt?---Yes.

What other contact was that?---Mr Vella and Mr Hawatt wanted to source building products for a development or something that either they'd

proposed or were working on. They sought my advice on how to source that product from China. If I recall correctly, they perhaps had been already once and were seeking some advice and/or connections with ways to get supply of products and goods for building units and properties.

At this time in 2014-15 you had a link with China. Is that right?---I have very good links with China, developed from my early days, before I was a parliamentarian I'd suggest a lot of very strong friendships and some expats that live in China.

10

And as at 2014-15 did you hold any position or were you involved with any particular association in relation to trade with China or other links with China?---Hmm, at that time I would have been elected chairman of the New South Wales Parliament Asia Pacific Friendship Group and I recall I may have been appointed as honorary chairman or patron, which is a Chinese custom, of two groups, one group, and that was the Australia China Trade Association.

20

And was that – I should make my question a little bit more open-ended. I was going to ask is that an Australian association or a Chinese association? Answer it as you see fit.---It's an association that is predominantly sponsored by China. It's to foster trade between Australia and China and particularly sourcing food and products and rural-type goods such as Wagga Wagga and Griffith and places produce.

30

Can I ask you, I take it from your evidence that you, as at 2014-15 had been to China many times?---I've been a regular visitor to China since I first signed the Chamber of Commerce agreement for Wagga Wagga in around 1996. I was president at that time.

And when you say regular, at least one visit a year or more than one visit a year? What would you say?---Some years more and perhaps I wouldn't go one year. It just depended what was happening with things like sister city and/or visiting friends that, that live in China.

Sorry, can I just exhaust the question of the nature of your relationship with Mr Hawatt in the period 2014/15. Was there any other association that you had with Mr Hawatt in that period?---I can't recall that there was.

40

In 2014/15 did you do any business with Mr Hawatt or attempt to do any business with him?---No, I don't believe so.

In that period did he attempt to do any business with you?---I don't believe so.

Have you ever attempted to do business with Mr Hawatt?---No.

Has he ever attempted to do business with you?---No.

Has Mr Hawatt ever been involved in any attempt to make money out of an enterprise of any sort in conjunction with you?---Relating to property I think he had interests, yes.

Well, what was it that he did or said by way of attempting to do business with you in relation to making money out of an enterprise or proposed enterprise?---Well, I wouldn't call it doing business with me but over '14 and '15 he certainly did discuss with me a range of property/opportunities I'd say in general discussion.

And can you describe for us, please, what was the gist of those discussions? ---The gist from my recollection was that there are a lot of opportunities for development around his area. He seemed to know a lot about it.

Yes, but what was it that he was raising with you?---Well, I don't recall that it was anything in particular except the fact that the area that he was in was generally growing and prospering.

20 This is Canterbury?---That area, yes.

Did he – you have however indicated in your initial answer to my question that it was property related.---I believe so.

What was it that he was saying to you in 2014/15 in that regard about properties in his area?---I think it was just the general nature of what was happening, the overall expansion and the way that the suburb was, was growing. I think it was generalised discussion.

30 Can you assist, so that we can have an understanding of the nature of your relationship with Mr Hawatt in that period in 2014/15, did you have coffee together occasionally, from time to time?---I'd say not.

Did you have meals together occasionally or from time to time?---I would say not.

40 Did he visit you in your electorate office at Parliament House?---Not in my electorate office definitely. There may have been an occasional hello but I don't recall that that would, I don't recall any particular meeting or event.

And was there, were there functions where you've met each other from time to time and discussed things?---There are always functions at Parliament House and around that we're invited to.

Did in the period 2014/15 you make an approach to Mr Hawatt with any sort of proposal to make money out of an enterprise?---No, not to make money out of an enterprise but perhaps a general inquiry as to those areas

that were growing and, yeah, so, so that may have happened around '15, end of '15.

And when you say, "Those areas," are you talking about Canterbury, Mr Hawatt's patch?---The general area that, that, that encompassed I guess Canterbury, yes.

10 And why did you make those enquiries of Mr Hawatt at that time?---Well, I had been asked and introduced to Country Garden and the chairman, Johnson Zhang, had asked me could I introduce some people who had some opportunities that they could perhaps look at.

Property owners who were interested in selling their property?---Yes.

And when had that request been made of you by the chair of Country Garden?---I can't recall the exact time but you would run in to people that were involved particularly in the Chinese community on an irregular basis and it could have been as early as '14 or '15.

20 Was that the, was this the chair of Country Garden in its Australian inception or its Chinese inception?---Johnson Zhang at that time was the CEO that was appointed to Country Garden and he was the initial person who asked me could I assist.

Yes, but I'm trying to ascertain, are we talking about the CEO in China or the CEO in Australia?---CEO, Australian division of Country Garden.

Thank you. How do you spell his surname?---Z-h-a-n-g, I believe.

30 Thank you. Do you know why he made that enquiry of you?---Yes. Country Garden had established and would - - -

I apologise. What I meant was, do you have any understanding of why he made that enquiry of you rather than somebody else?---Oh, I had gotten to know many people in the Chinese community and as I said, you would run in to them on a regular basis, irregular basis and I, I, I gather he felt he was comfortable to approach me ask me if I could help.

40 THE COMMISSIONER: So, you had met him when you were getting to know members of the local Chinese community?---Commissioner, the local Chinese community are very active and there are a number of organisations that we are involved in, particularly charitable organisations, raising money for projects such as Eyes on China, which is a project that removes cataracts for you know, those less fortunate and affected by vision problems. So, many crossbench members or cross-political parliamentarians participate in that and these groups support us.

And you would have met him through one of those functions supporting one of those charities?---Correct.

MR BUCHANAN: Now, my question of you to which you gave that answer about Mr Zhang was as to whether in 2014-15 you made any enquiry of Mr Hawatt in relation to the potential for making money out of an enterprise. Was it in your contemplation at that time that you might be involved in making money out of such a sale?---No.

10 Was it within your contemplation at that time that Mr Hawatt might make money out of such an enterprise, such a sale?---Well, I assumed that may be the case.

Why did you assume that may have been the case?---Because I had an understanding that he was a real estate agent. I have always thought that.

And where did you get that understanding from?---From the campaign days. I, I also understood that was his occupation.

20 Did Mr Hawatt tell you that?---No, I assumed that.

What was it that made you assume that?---He seemed to be very involved and knew a lot about it and - - -

About what, sir?---About real estate. And I assumed that he was an agent.

Did he in the years that you had known him make offers to you or tell you of the availability of property for sale?---Not until I approached him on behalf of Country Garden.

30 Did he, before you told him of that approach, talk with you or in your presence about the prices which property commanded or could command? ---I don't recall having those types of conversation about prices and that property could command, but general conversation about how the suburbs were growing across Sydney and his area.

I'm just trying to ascertain though - - -?---Mmm.

- - - you knew he was a councillor?---Yes.

40 That sort of subject of development in the area or in the greater Sydney region would not be unusual for a person who's a councillor in local government in Sydney, would it?---Well, you would think they'd have a fair grip on it.

Yes. And so what I'm trying to ascertain is, what was it about what Mr Hawatt said to you in the period that you knew him that led you to think that

he was a real estate agent?---Because whenever we bumped into each other or had a discussion it usually centred around real estate.

Can you give us an illustration, please, so that we can have an understanding of what you're talking about? Because if he wasn't actually talking about property selling at particular prices, what was it that he was saying to you that gave you the impression that he was a real estate agent?---Well, I always had that impression that he was a real estate agent and in general discussion I, I maintained that, that impression. I can't explain it any more than that, but that's the impression that I got.

THE COMMISSIONER: You spoke about your recollection is whenever you'd run into him a discussion would ensue about real estate.---Yeah.

Can you give us an example of what he would say?---Hmm, generally, Commissioner, it was about how the area was growing and generalised what was happening. I can't, I don't believe that anything in particular was raised, to my recollection, but considering that you'd run into him occasionally in a, in a cordial, and then have a cordial chat about life in general, that's what would happen. He was always very focussed on his suburb.

MR BUCHANAN: Turning to 2016 if I may, was there any approach that Mr Hawatt made to you with a view to money being made in an enterprise of any sort?---In what way do you mean?

Well, did you in 2016 receive from Mr Hawatt any approach about money being made in any sort of business?---Well, I can't recall that he'd approached me to make money out of a particular project or, or location, no, I can't recall a particular one was raised.

But it sounds as if you want to say something else there, another thought that there was something related?---Well, I'm trying to, I'm trying to recall

Yes?--- - - - that time of year,

Yes.---And that time and I'm trying to recall. I just can't be clear about that.

Well, are you saying that there was something like an approach by Mr Hawatt with a view to making money out of a business?---No, I don't believe that, I don't believe that he made an approach with the view to making money out of a business. He had been asked, if I remember correctly, to provide some property listings or, you know, opportunities for Country Garden but the approach wasn't to me to do business, it was for others.

Did you make any approach to Mr Hawatt with a view to making money out of a business in 2016?---Not me personally.

When you say not you personally, that's a qualification that sounds as if, yes, there was but not by you personally. Is that what you mean, or what do you mean?---What I, what I'm meaning is that an approach was made to Mr Hawatt for some property opportunities that Country Garden might look at and take up.

10 And by whom was that approach made?---I initially asked that question.

So you made the approach, is that right?---I believe so.

Well, what is it that you recall in that regard in 2016?---I recall receiving some information on a number of sites.

From?---From Mr Hawatt.

20 Yes, but what was the approach you made?---The approach must have been, well, I wouldn't like, I wouldn't like to speculate on my exact words but the approach would have been in, in, to suggest that I had some friends, people who were interested in finding approved DA opportunities and sought some assistance, what did he know you know, could he help them.

30 And why did you make that approach to Mr Hawatt in 2016?---Well, because I had been asked originally by Country Garden about you know, whether there were some opportunities and could I make some introductions. I'd also, at that time, 2016, had met Tim, who we became instant friends, from Country Garden and a friendship developed, so the question was asked.

And sorry, is this a person called Tim, first name?---Ah hmm.

Who was from Country Garden?---Yes.

Second name?---Lakos.

L-a-k-o-s?---Ah hmm.

40 Yes. So, you indicated to Mr Hawatt in 2016 that you had friends who were interested. Were those the two people that you had in mind, the chair of Country Garden and Mr Lakos?---Yes. I believe so.

Anyone else?---No one else. Well, no one else at Country Garden.

Anyone outside of Country Garden that you had in mind when you said to Mr Hawatt in 2016, that you had friends who were interested?---My recollection is that there would have been a number of people who were

perhaps interested but I'm sure that the approach was initially for Country Garden.

When you say you're sure that – I'm sorry, you say that there would have been other people apart from Country Garden, is that right?---In the general Chinese community, yes.

In Australia?---In Australia.

- 10 Who had conversations with you, is that right?---Whenever you went to a function, there were always conversations.

Yes, but what I'm trying to understand is, what was it you had in mind, apart from Country Garden when you say you made an approach to Mr Hawatt in 2016 indicating that there were people, you had friends who were interested in properties that might be acquired?---Well, I don't know that I actually had anything specific in mind except with the view to helping Country Garden get established.

- 20 So you can't think of any other people you meant by "friends" when you made this approach to Mr Hawatt than the two executives of Country Garden that you've identified?---No.

- THE COMMISSIONER: And when you said other than, nothing specific in mind other than to get Country Garden established, what did you mean by established?---Well, they were struggling and Tim had joined the organisation and we, we formed a friendship immediately and they, they were having a lot of trouble really establishing in the country and they had no Australian people there, Tim was the first to join them, he and I hit it off
30 from day one, became friends.

And when you said problem establishing in the country, they're obviously some kind of what, property development company?---They did everything wrong. They did everything wrong.

In what way?---Oh, just made errors of judgement, tried to do things I guess the Chinese way, doesn't work, so they were in all sorts of problems, in my opinion.

- 40 MR BUCHANAN: Did you make similar approaches to people other than Michael Hawatt in 2016?---I may have. I may have.

What is it you're thinking of when you give that answer?---I'm trying to recall 2016. I'm trying to recall 2016. I can't recall that clearly.

Well, you made an approach to Mr Hawatt in 2016 as you've described. And why did you select Mr Hawatt rather than somebody else to make this approach to?---I think part of the criteria for Country Garden was that they

wanted DA-approved sites, that they were looking for also some iconic-type sites, they were looking for house and land, so there was a whole range of things they were looking for.

But what made you select Mr Hawatt for this approach rather than somebody else?---Because I knew him.

Yes. But you knew lots of people, didn't you?---Yes, I did.

10 And did you make the same approach to all the other people you knew?
---What, I think what reflected in my mind was those conversations that had been had about things that were happening in that suburb and that was probably what generated my thinking to talk to Mr Hawatt.

So were you in particular interested in Mr Hawatt's association with the Canterbury area, given what he'd told you about development occurring there?---Yes. I felt that it had real opportunity for Country Garden.

20 Can I ask you this, why did you bother, if I'm using the right word, to make an approach on behalf of Country Garden at all?---Well, I, as I said before, had been very friendly with a lot of organisations through the Chinese community. I was asked and by that time I'd met my friend, Tim, and we developed a friendship. I felt that there was no harm in doing that.

30 So I'm just trying to understand your answer. Because a friend had an interest in identification of suitable properties potentially to acquire and/or develop, you made it your business to go out and scout out for such properties on behalf of your friend. Is that what you're telling us?---You could say that. You could say that.

But why did you bother to do that? Is it just because you were a friend of Mr Lakos?---Yes.

No other reason?---No.

Not because there was anything in it for you potentially?---No.

40 THE COMMISSIONER: And you first met Mr Lakos when he commenced employment at Country Garden?---Yes.

MR BUCHANAN: Do you remember when that was?---Somewhere around January-February, 2016.

Could I ask you to listen to this audio file that'll be played. Can we please play LII 08292, recorded on 9 May, 2016, commencing at 9.21am and it'll come up on the screen in front of you. Sorry, a transcript will come up on the screen in front of you.---Thank you.

Please follow the transcript and there's just the possibility we might debate whether there's something in the transcript that needs changing but if you could just keep an eye on the transcript. It's a particularly long call.---All right.

AUDIO RECORDING PLAYED

[1.51pm]

10 MR BUCHANAN: I tender the audio file and transcript of the recording.

THE COMMISSIONER: The audio file and transcript of LII 08292, recorded on 9 May, 2016 at 9.21am will be Exhibit 136.

#EXH-136 – TRANSCRIPT SESSION 08292

20 MR BUCHANAN: Can I enquire through your associate, have you got a hard copy, Commissioner?

THE COMMISSIONER: I don't.

MR BUCHANAN: Can I provide that.

THE COMMISSIONER: Thank you.

30 MR BUCHANAN: Mr Maguire, can I ask you some questions about that recording, please?---Ah hmm.

Did you recognise your voice and that of Mr Hawatt on that recording?
---Yes, yes.

And the voices were correctly attributed to the parties identified in the right-hand column as we went down the pages of the transcript?---Yes.

40 Mr Maguire, it sounded as if you had recently come back from a trip to China and that you'd been visited whilst you were on that trip by Mr Hawatt when you were in Shenzhen?---Yes. What happened was, I was going to China, he and I think Mr Vella had come across from Guangzhou on a Sunday afternoon to say hello.

And how did Mr Hawatt or Mr Vella know that you were going to be there and where to find you in Shenzhen?---I don't recall how they knew, but perhaps we'd talked.

Well, it sounds as if you might have provided them with your itinerary?---I don't recall that I provided them with the itinerary but they must have known roughly when I was there.

Well, they must have known where you were in Shenzhen.---I would have told them I suspect.

10 And what happened in Shenzhen between you and Mr Hawatt?---Oh, we gathered for afternoon tea with friends, as you do in China on a, I think it was a Sunday afternoon.

And Mr Vella was present?---I believe so.

And were any of the friends involved with the development company, property development company?---No, I don't believe so.

Was property development or its acquisition or sale discussed during that afternoon tea?---I can't recall. I just can't recall.

20 So was there any discussion during that afternoon tea about business that you and Mr Hawatt might do together?---I think it was a general get-together afternoon, relaxed afternoon between friends. I don't know that anything in particular was discussed.

Well - - ?---I can't recall.

30 Can you be a little bit more precise? Are you saying no business or potential business was discussed at that afternoon tea in Shenzhen between you and Mr Hawatt?---I can't recall that that was the case.

Can you be a little bit more precise? What is it that you can't recall?
---It was a general, it was a get-together, a catch-up. I can't recall that an in-depth discussion about business opportunity took place. There were a lot of friends there, it was a relaxed afternoon.

Did you indicate to Mr Hawatt that you might be in contact with him upon yours and his return to Australia to discuss business opportunities?---I can't recall.

40 Was this phone call that you made to Mr Hawatt made with Mr Hawatt having any notice that he was going to receive it?---No, I can't recall.

Excuse me. Could I ask that we have a look, please, at page 5 of the transcript. You can see there before you get halfway down that you said, "I'm talking with Joe, just quietly, Joe."---Ah hmm.

"And I've got a couple of deals before a big developer." Who was the Joe that you were talking about?---It would be my friend, Joe Alha.

Who was Joe Alha?---A friend of mine.

Yes, but sorry, what did he do for a living?---Oh, he ah, develops.

Develops?---Properties.

Where?---In the Campsie/Canterbury area, Strathfield.

10 THE COMMISSIONER: Sorry, could you spell his last name?---A-l-a-h.
[sic]

MR BUCHANAN: And was there a reason why you said to Mr Hawatt that you were talking with Joe “just quietly, Joe?”---No, I can’t, I can’t recall.

Was there an intention on your part to convey by the use of the words “just quietly” that you didn’t want Mr Hawatt to tell anybody about what you were saying about talking to Joe and the outcome of conversations with Joe?---I can’t recall the intent of that. I’m talking with, I think I was having
20 a private discussion with Joe and I, and it was privately between Joe and I. I think that’s what I was getting at.

But what – I withdraw that. When you went on to say “I have got a couple of deals before a big developer”, was that a reference to Joe or somebody else?---No, somebody else.

Who was that somebody else?---I think it was Country Garden.

30 In the next sentence that you used you said, “So you know a couple of ones we want to kick on.” Do you see that in the transcript?---Yes.

What did you mean by that?---I must have been referring to some property that had particular interest to Country Garden.

Well, it sounds as if from the way you expressed it you had had prior communication with Mr Hawatt on the subject doesn’t it?---I can’t recall. I just can’t recall that.

40 Well, before this conversation had you said anything to Mr Hawatt about Country Garden?---I just can’t recall that I did.

Had you before this conversation on 9 May, 2016 said anything to Mr Hawatt with a view to pursuing the request made of you by Country Garden to find properties, to identify properties?---I can’t be sure.

You may have, is that what you mean, but you can’t recall them as you sit there?---I may have but I, but I can’t be sure.

Before 9 May, 2016 what had been your last communication with Mr Hawatt, had it been the afternoon tea in Shenzhen or something in between?---I, I just can't recall. I'm sorry.

When were you in Shenzhen?---I'd have to refer to a diary or something.

Well, fair enough.---Yes.

10 How long before this conversation, you can assume that it was on 9 May, 2016, how long before that was it that the afternoon tea in Shenzhen had occurred?---I'd have to refer to a diary or something. I, I just can't recall. I'm sorry.

Had it been that year, 2016?---I just can't recall. I'm sorry.

What was the reason you were in Shenzhen at all?---I would have to refer to my diary. I can't recall the reason that I was there.

20 Were you in China on that occasion in cities other than Shenzhen?---I would have to look at my diary. I, I can't recall the itinerary of visiting Shenzhen. I would have to try and refer to my diary for that.

Got a diary on you now?---I'm sorry, I don't.

You haven't brought it with you?---No. I'm sorry.

THE COMMISSIONER: And we're talking your paper version diary?
---No. We're, I don't have a diary with me I'm sorry.

30 No, no, no, no, no. But when you say I'd have to look at my diary, are we talking about a paper diary - - -?---Yes.

- - - or an electronic diary?---A paper diary.

MR BUCHANAN: Where is the paper diary now?---With my adviser, my counsel.

Do I need to make an application?

40 THE COMMISSIONER: May I inquire, Ms Gall, do you or your instructing solicitor have the diary?

MS GALL: It's in my chambers. It's not physically here.

THE COMMISSIONER: Is it something that -- could a junior from your chambers bring it down?

MS GALL: I'd have to make enquiries.

MR BUCHANAN: It might be worth if we just – could we have a two-minute adjournment to give my learned friend an opportunity of making an enquiry as to whether that can be done. I'm very happy to make an application, and I'm not at all presuming that you'd grant it, but the application would be under section 35, subsection 2, requiring that the diary be produced. I don't want you, Commissioner, to make it of my learned friend. I submit it should be made of the witness.

10 THE COMMISSIONER: Do you require me to make that order before you contact your chambers?

MS GALL: Yes, Commissioner, I do, because I would like to know if it's being requested just by way of providing it by way of assistance or if it is being formally asked to be produced.

20 THE COMMISSIONER: May I enquire, Mr Maguire, it's a paper diary for the year 2016 or should we ask for 2015 and 2016? What should the order seek?---I can't recall when I was in Shenzhen. If, if you could give me some more clarity around that then I might be able to help.

May I enquire, the diary that's in your chambers, is it only for 2016 or two thousand - - -

MS GALL: I haven't inspected the diaries, Commissioner. They're just physically there.

30 MR BUCHANAN: Can I respectfully submit the scope of the requirement should be in respect of all diaries for the calendar years 2015-2016. I should perhaps just make further enquiry so that I don't have to apply for two orders. Could I ask of you sir, do you also have an electronic diary?---I don't personally.

Did you have a staff member who kept one for you?---The office would, would have record of some description.

Your office. Which office?---Wagga Wagga.

40 Was – I withdraw that. I confine the application to a requirement under section 35, subsection 2, for a production to the Commission as soon as possible this afternoon of the paper diary or paper dairies for the calendar years 2015-2016 of Mr Maguire.

THE COMMISSIONER: And sorry, Mr Buchanan, the timing should be, I was going to suggest forthwith but if they're not in the chambers, that may - - -

MR BUCHANAN: Well, helpfully, my learned friend has offered to make an enquiry and I would be asking for a very short adjournment so that that enquiry can be made but it would sound as if it's the sort of thing that can be complied with by 3 o'clock-3.30, outside.

10 THE COMMISSIONER: All right. Ms Gall, what I intend to do is make an order under section 35 that the paper diaries of Mr Maguire covering the years 2015-2016 be produced to the Commission by 3.00pm and as Mr Buchanan said, I'll adjourn for just a couple of minutes for you to make those enquiries but is that feasible, assuming that you ring and you've got a junior at the ready who can dash down?

MS GALL: Yes. Assuming someone's available, that sounds feasible but that's why I just need to make enquiries.

THE COMMISSIONER: I propose to make the order. We'll adjourn briefly. If we can make the enquiries and then if there's any difficulty, raise them with Mr Buchanan and we can discuss it further.

20 MS GALL: Yes, thank you, Commissioner.

THE COMMISSIONER: All right. Under section 35 of the Independent Commission Against Corruption Act, I order that Daryl Maguire produce to the Commission by 3.00pm this afternoon, the paper diaries covering the years 2015 and 2016.

30 **UNDER SECTION 35 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I ORDER THAT DARYL MAGUIRE PRODUCE TO THE COMMISSION BY 3.00PM THIS AFTERNOON, THE PAPER DIARIES COVERING THE YEARS 2015 AND 2016.**

MS GALL: Commissioner, as I indicated, I haven't inspected the diaries so it may require some explanation to my junior staff as to what they need to get and might I seek leave to obtain instructions from my client as to precisely what - - -

40 THE COMMISSIONER: What they look like or - - -

MS GALL: What they look like and what to get because I'm just in that position. I understand he's under cross-examination and that – my scope of my questioning of him will just be to identify precisely what it is and whether it's one volume, two volumes, et cetera.

MR BUCHANAN: No objection at all.

THE COMMISSIONER: Thank you. Yes, that's fine, Ms Gall.

MS GALL: Thank you, Commissioner.

THE COMMISSIONER: All right. We'll adjourn for about five minutes.

MS GALL: Yes.

10 THE COMMISSIONER: Thank you.

SHORT ADJOURNMENT

[2.21pm]

THE COMMISSIONER: Is everything going okay?

MS GALL: Yes, yes. All going to plan. The diary should be here by the 3.00pm deadline, Commissioner.

20 THE COMMISSIONER: Thank you very much for making those calls.

MS GALL: Not a problem, thank you for the time.

THE COMMISSIONER: Mr Drewett.

30 MR DREWETT: Commissioner, I just wanted to advise that I won't be able to personally stay beyond 4.30 this afternoon, just in case we did trespass just beyond that, but my instructing lawyer will be here in my absence if we did happen to go past 4.30 this afternoon. I apologise for that, I just - - -

THE COMMISSIONER: All right. I am aiming to finish Mr Maguire's evidence today so I should flag to everybody, if we reach 4.30 and we're not finished, I want to keep on going. So if anybody needs a break to make a phone call, you know, if children are going to be deserted at childcare or something like that, please let me know, and we're also supposed to be having at one point Mr Andronos' coffee break, but we'll see how we go.

40 MR DREWETT: Thank you, Commissioner.

THE COMMISSIONER: Mr Buchanan, can you resume or did you - - -

MR BUCHANAN: Yes, thank you, Commissioner.

Sir, returning to the transcript at page 5 of Exhibit 136, in the middle of the page, a bit over the middle of the page, you said to Mr Hawatt, "What have you got, what have you got on your books? Have you got anything that's DA-approved?" Why did you say that to Mr Hawatt on that occasion?

---I think I was inquiring for additional properties for Country Garden.

And why did you direct it to Mr Hawatt rather than somebody else?

---I can't recall. I can't recall why I directed it to him.

But you can see that you had a lengthy conversation with him on the topic, and you've heard the record of the conversation.---Yes.

You can't recall why you had the conversation with Mr Hawatt?

10 ---I think in my mind I would have had the conversation because of my knowledge that he had knowledge of what was happening around the place.

And was the source of that knowledge on your part, what you said earlier about your conversations with Mr Hawatt over the years in which he had indicated an interest in real estate and specifically in properties in the local government area of Canterbury?---Perhaps so.

Now, can I ask you a question about page 6, a little over halfway down the page of the transcript you said, "Can you do me a favour? I need a few
20 things to feed my friends." Who were you referring to when you said, "My friends?"---I would have thought Country Garden.

And now what do you think?---I, I - - -

Are you saying that you mean something, are you saying, sorry, that you now think it was someone else?---No, I still think the same.

Right. And was there any reason why you used the words, "I need a few
30 things to feed my friends?"---(No Audible Reply)

It indicates a particular type of relationship that you had with, as you identify to us, Country Garden?---I think it's just a terminology that I use. I, I tend to speak in a bit of a bushy sense, so - - -

Sure.--- - - - I'm known to do - - -

So why did you "Need" a few things, what was the necessity of which you were speaking to Mr Hawatt about on 9 May, 2016?---Because of the need to drive those acquisitions.
40

But why was there a need to drive them?---Because that was the goal of Country Garden.

So were you acting as Country Garden's agent in this exercise?---I wasn't an agent, I'd never been appointed an agent, but I certainly sought to assist.

Why did you seek to assist Country Garden?---I think it goes back to my friendship that I'd developed.

With whom?---With Tim.

Are you sure that you were a friend of Tim Lakos, are you sure that friend is the right word to use to describe the character of the relationship that you had with him in 2016?---We, we've been great friends ever since. Yes, I think I could genuinely say friend. In my occupation you don't make too many friends and when you think you've found one, stick to him.

10 So just again I just need to focus on the word, "Need." If you weren't an agent and you were only a friend of a person who worked for Country Garden, why did you say to Mr Maguire [sic] you "Need" a few things, meaning a few properties?---(No Audible Reply)

Where was the necessity, what did that derive from?---Well, I'm sure the necessity was to achieve that goal that had been set.

20 Had you been given to believe by anyone, including Mr Lakos, that you would receive a benefit if you were to provide identified properties which Country Garden could acquire and develop?---No, no.

30 Did you in your mind have a thought that you might derive a benefit from Country Garden if you identified to them properties for development?
---Not me personally. I had in the back of my mind that if I were to help them establish and get going in Australia, they may want to come and help develop Wagga Wagga with some new suburbs. Country Garden build cities and I desperately wanted some infrastructure, service stations, shopping centres, Wagga Wagga was a great opportunity for Country Garden if they could be successful in establishing and getting some runs on the board.

Country Garden haven't built a city in Australia, have they?---No, they have not.

They haven't built a petrol station in Australia, have they?---Not yet.

40 All that they have done is develop one or two residential property blocks. Isn't that correct?---And that's because they made some very bad decisions and when they first established and that's when I referred to you the issues that they were having that I identified.

When you use the word "feed" my friends, you make it sound as if it's a mercenary relationship or there's a mercenary aspect to your relationship with Country Garden don't you?---I'm a bushy. We tend to use words that may not be seen as in the correct, in the correct way but bushies do that.

The fact that the word might be used by bushies doesn't deprive it of its mercenary connotations, Mr Maguire, does it? "Feed" has mercenary

connotations.---I really think that, you know, feed give a much better words than use, than deliver or supply.

Can I ask, if we could go over the page, please, to page 7. The bottom of page 7. I'm sorry, from the whole of page 7 and going over, you recall that there was lengthy discussion between you and Mr Hawatt on 9 May, 2016 in this conversation about how the price might be constructed for certainly the particular property opposite Canterbury Hospital. Do you remember that?---I see it here in front of me.

10

You remember hearing it?---Yes.

Given that all you were doing was obtaining information with a view to identifying properties which Country Garden could explore as I understand your evidence, why did you go into such detail with Mr Hawatt about the way that the price for the property might be constructed?---I can't recall. I just can't recall why I would have done that.

20

Well, you didn't need to go into it on the explanation you've given us of why you're obtaining information about properties that you could supply to Country Garden did you?---I think I would have been generally interested.

Well, you indicated didn't you that you had a particular interest in what the margin was that Mr Hawatt expected to derive from the sale of the property opposite Canterbury Hospital didn't you?---Yes. Yes.

30

That's page 9, a bit over halfway down the page. Why did you have an interest in the margin that was in it for Mr Hawatt?---I really can't recall that. I really can't recall why.

Leaving aside your recollection, can you provide us with a likely explanation as to why you were interested in the margin that was in it for Mr Hawatt?---No, I can't.

It's a complete mystery to you?---Well, I've only just seen this and been reminded of it.

40

But you were the one who expressed the interest in the subject in the conversation with Mr Hawatt weren't you?---Yes.

So why can't you tell us why you had an interest in that subject?---Well, it's just not clear to me, it's just not clear to me why I would have done that.

Can I suggest it's because you, you're saying, you're giving that answer because you fear the truth if you tell it. That's the case isn't it, that's why you're saying I can't recall?---I don't fear telling the truth but the - - -

Do you fear the consequences of telling the truth?---No, no.

Can we go then to page 18 of the transcript. You – page 17 in the first instance.---That's, that's made it clearer, thank you.

Bottom of page 17, you were talking about the percentage that Mr Hawatt might derive for what reason? How would he get a percentage, for what?
---He would have been an agent of some description.

10 For the vendor?---I suspect, yes.

For the owner?---Yes.

So, we go over to the top of page 18 of the transcript. You said, “So he needs to that because 1, 1.5 per cent isn't enough divided by two, if you know what I'm talking about.” What were you talking about?---Well, it appears that I am talking about a dividend.

A dividend?---Ah hmm.

20 What do you mean by that?---A dividend to be shared by two.

Who would the two have been?---Well, you'd have to assume, you'd have to assume at that an interested party, an interested person.

Yes. Sharing it with Mr Hawatt?---Yes.

And who was the interested person?---Well, I suspect it was me.

30 Well, you were the one that had the conversation.---Yes.

Why did you say to – why did you express an interest in your conversation with Mr Hawatt about the percentage he would obtain and then say that, “1.5 per cent isn't enough divided by two, if you know what I'm talking about.” Why would you say that unless you were alluding to something that you didn't want to say in precise words?---That may be the case.

40 What was it that you didn't want to say in precise words to Mr Hawatt on that particular occasion in that particular respect.---I think that I didn't want to say that there are other interested parties.

Namely yourself?---I think so.

Well, when we put it all together, it looks very much as if you were probing Mr Hawatt to identify properties which could be sold to interests that you had contact with, you've said Country Garden, with a view to money being made by you and Mr Hawatt, correct?---You could assume that.

Excuse me a moment, sir. Now, can I just ask you to go to page 12 of the transcript. Mr Hawatt says a bit over halfway down, I'm sorry halfway down, "There's another one, it's a bit more expensive. I think it could be negotiated but it's a bit more expensive at the moment." You said, "And what is it?" He said, "Oh, look, it's, I think the one from my understanding, I know the guy but he, he doesn't like me so, but he's got, I'm not sure whether he'll sell it or not but he's, he's going for the higher level one and there's another one in Lakemba. Again, the guy is going for, for that additional 14 levels thereafter and he's interested. I think he might sell as well." This, the reference to, "And there's another one in Lakemba," that's a third property, as I read the transcript, that Mr Hawatt had canvassed with you in response to your enquiries. Is that your understanding? This was separate from the Harrison's property?---Most likely, yes.

10 And he's said to you, "There's another one in Lakemba. Again the guy is going for that additional 14 levels." That sounds as if the guy is applying for approval for an additional 14 levels for a property in Lakemba. Is that your reading of it?---That's my reading of it.

20 Lakemba you knew to be in the local government area of Canterbury?
---Yes, within reason.

I'm sorry?---In, in the vicinity.

Yes. You knew that the man you were talking to was a councillor on Canterbury Council at that time?---Yes.

30 Did you think that there was a chance that Mr Hawatt would be involved in making a decision on council about whether that guy would get additional 14 levels for the property in Lakemba?---I can't say that I ever even considered it.

I'm sorry?---I can't say that I considered it.

You weren't alarmed that Mr Hawatt indicated to you that a property he was identifying for you was possibly the subject of an application for approval for something that would add if it's 14 levels considerable value to the property?---I can't say that I questioned it.

40 Is there a reason why you didn't question it?---No, I don't know.

Is it the case that you didn't care whether Mr Hawatt was a person who was in a position to make a, to grant a, to participate in the decision to grant an approval to add considerable value to that property?---You could assume that.

Excuse me a moment. I'll just draw your attention to the next passage attributed to Mr Hawatt on that page, "Yeah, this one has approval but

because of the changes he's had he hasn't finalised it but", something unintelligible, "gone and get it", indicating that Mr Hawatt was foreshadowing to you that approval would be forthcoming for the, what would likely be an application for approval to add those extra storeys which would add value to the property.---Mmm.

That didn't send an alarm bell ringing when you heard Mr Hawatt say that?--At that time there was a lot going on in my life and around me and I don't know that I paid it a lot of attention.

10

You paid it sufficient attention to be having this conversation and exploring the details about properties which could be identified and their value and their price and whether they had DAs or not in particular didn't you?---Yes.

You were particularly interested in whether they had DAs or not weren't you?---The criteria was always DA approved.

Whose criteria?---Country Garden.

20 Now, could I take you to the next page of the transcript where a bit before halfway down you said, "All right, and you just come back to me so you get the package and you just give it to me in confidence, okay." My question is, what did you, why did you use the words "in confidence"?---I can't recall.

A couple of lines below that you say "and I'm meeting these guys next week." Did you mean you were meeting Country Garden the succeeding week?---I think that's what it refers to.

30 Did you meet Country Garden the succeeding week?---I would have to check my diary. What date is it?

How many - - -?---9th of the 5th.

How many meetings did you have with Mr Lakos in which you, in which the availability of properties for development were discussed with him, specific properties, sorry, specific properties?---I couldn't tell you. I couldn't tell you.

40 Is that because there were so many of them that you can't tell how many?---No, I don't think there were so many. I just can't recall the days and/or now many times accurately. I'd only be guessing.

Was it once?---I'd be guessing.

Do you mean to say it's possible you didn't take part in a conversation involving the details of any particular property for development with Mr Lakos?---I perhaps did but I can't recall how many times accurately. I truly can't.

But when you say “perhaps”, sir, you don’t really mean perhaps do you? You mean, “Yes, I know I had a number of meetings, I just can’t recall how many of them there were.”---Correct.

Thank you.

10 THE COMMISSIONER: The reference that Mr Buchanan’s taken you on page 13, where you say to Mr Hawatt, “You just come back to me so you get the package and you just give it to me in confidence.” The package, what was that referring to?---Well, that would be, that would be information of - - -

About what, a particular site?---Correct.

And what, prices, commission and things like that?---Well, that, that would be to, to take to Country Garden. That’s what that would be.

20 MR BUCHANAN: Would it include plans for example that - - -?
---Probably.

Copies of an approval, for example?---Perhaps just plans. I don’t know about approvals and other things like that.

30 But why wouldn’t Country Garden be interested in an approval if they said they wanted DA’d properties. Wouldn’t approvals be the second things they’d want after plans?---That wouldn’t have been, that would have been something if they were wanting to pursue that they would have asked for, I would suggest.

Now, in the middle of the next page, page 14, you said, “I need yeah, I, I need a stream of these things, I need 30 projects.” Again, you’re using the imperative, “Need,” which sounds as if you, there was something in it for you or that you were under some sort of pressure from Country Garden. Is there any other explanation that you can give us as to why you were using the word, “Need”?---There, there was, there was a urgent need to get Country Garden operating and that’s why I used that word.

40 Are you sure it wasn’t because you were either hoping to set up or you were conducting a business of identifying potential development properties for Chinese development companies such as Country Garden?---At no time did I speak to Country Garden about any kind of agreement but I certainly had the intent of helping them be successful for the reasons I told you before. That was my eventual hope, that they would be able to come to the regions and develop.

That’s not an adequate explanation, I want to suggest to you. Not logically anyway, for you, using language, “I need.” What you’ve told us is not an

adequate explanation for you saying to Mr Hawatt, “I need these properties,” is it?---No.

No. So what else was there behind you saying to Mr Hawatt that you need these properties?---I think – well, I would, well I can’t draw the conclusion but my view still is that I needed to help them get these developments up and running, that I had a, a loyalty and wanted to drive that along.

10 Now, just a little over halfway down, three-quarters of the way down you say, “He needs 30 but he wants a couple of DA instant starts.”---Yes.

Is he Mr Lakos?---Yes.

Now, the bottom of the next page, page 15, you said, “All right. Well, that, that’s what we want.” Who was “We?”---Oh, I’d suggest, I’d suggest Country Garden.

20 But you’re expressing it as if you’re in partnership with them.---I often use word, we, us, them, I, sometimes I refer to things in that way. I, I’d suggest to you it’s Country Garden, we.

Did you have a client/consultant relationship with Country Garden at the time?---I had no consultancy agreements with Country Garden.

Did you have a client/consultant relationship with Country Garden at the time?---I had no client/consultant relationship with Country Garden.

30 Can I take you to the next page, page 16. In the middle of the page you said, “All right. Okay. Well, if he’s, if he’s interested, my client is mega-big and got mega-money and wants two or three DA-approved projects right now, today.”---Ah hmm.

Was “my client” a reference to Country Garden?---I believe so.

Why did you use the words, “my client” to describe Country Garden?
---Just language that I’d use.

40 Why did you use that language if it wasn’t the case that you had a client/consultancy relationship, sorry, client/consultant relationship with Country Garden?---I can’t explain that.

THE COMMISSIONER: Can I just pause for a minute?

MR BUCHANAN: Sorry.

THE COMMISSIONER: Ms Gall, I saw somebody come in.

MS GALL: Yes.

THE COMMISSIONER: Are the diaries here?

MS GALL: Yes, they have. I just would seek a very short adjournment. I just need to obtain instructions. There are some loose pages that I don't think are actually part of the diaries and therefore not responsive to the notice, but I don't want to just unilaterally make that determination. I'm fairly confident that they aren't responsive but I just want to confirm that and so I produce what is, what is required.

10

THE COMMISSIONER: That's fine. Mr Buchanan, I'm in - - -

MR BUCHANAN: No objection at all. No objection.

THE COMMISSIONER: To?

MR BUCHANAN: A very short adjournment. I do apologise for asking you to go back and forth, Commissioner.

20 THE COMMISSIONER: No, no, no, that's fine. All right.

MR BUCHANAN: Two minutes?

MS GALL: Yes.

THE COMMISSIONER: Two minutes.

MS GALL: Yes. It will be very quick.

30 THE COMMISSIONER: Right. We'll adjourn for two minutes.

SHORT ADJOURNMENT

[3.01pm]

THE COMMISSIONER: Now, I should indicate, Ms Gall, during the break the two diaries were produced.

MS GALL: Yes.

40

THE COMMISSIONER: In satisfaction of my direction under section 35. Thank you.

MS GALL: Yes. If the Commission pleases.

THE COMMISSIONER: All right. Mr Buchanan.

MR BUCHANAN: Commissioner. Mr Maguire, can I ask that you be shown volume 23, page 177 of Exhibit 52, no, 69. This is an extraction from the mobile telephone of Michael Hawatt of SMS messages and it's an extract of the extraction and it's a couple of text messages sent to a man Charlie Demian on 9 May, 2016 from Mr Hawatt's telephone. I'll just pause there before I go to them. You know of Charlie Demian. Is that right?---Yes, I do.

10 And when did you first know of him?---He was introduced to me by Mr Hawatt 26 or 27 May.

Right.---I think that's correct. I think that's - - -

And how have you fixed that date?---I have looked at the transcripts that you have provided and it was the day if I recall before a meeting with Country Garden.

20 That is, 7 May was the day before a meeting with Country Garden. Is that what you mean? Sorry, I'm just trying to clarify what you're telling us there.---I'm trying to recall the date that that meeting occurred. There was, there was a meeting and that was 7 or 8 May and then a further meeting on 27 or 28.

Well, can I just ask you to have a look, please, at the text message to Mr Demian from Michael Hawatt - - -?---Oh, the 9th.

- - - at 10.26am on 9 May, "Hi. Just got a call from an MP friend of mine who is well connected in China."---Yes.

30 "He has a mega-rich company who are seriously looking to buy 30 DA sites. They have secured three but need DA-approved that are ready to start. I told them about your sites, including Canterbury Road. I said 160 plus per site. He is keen to talk about this and any other site you want to sell. They are keen, ready and cashed-up. I need to leave, a private discussion, are we still on at about 4.00pm or after, signed, Michael." You know that Mr Demian is a property developer?---Yes.

40 And you know that he had a number of sites, particularly in the Canterbury local government area?---I had learned that, I had learned that.

And is this the sort of text message or communication that you would have expected Mr Hawatt to make to the owner of particularly DA-approved properties in response to the conversation that you'd had with him that we've just looked at?---I think it's the kind of message that you'd send. Can I just go back, can I just go back - - -

Yes.--- - - - and clarify the, the meeting and the information where you said that I knew Mr Demian was a developer. I hadn't actually met him until the

meeting where I was introduced by Mr Hawatt which was after it had been arranged, so then I received some information, I think via email, that identified Mr Demian, but I hadn't met him prior to that date. I think the night, that night, perhaps the 11th, the information came through.

10 And can I just take a step back from that particular a text message. Was there a reason why you didn't identify to Mr Hawatt in that telephone call at 9.21am on 9 May that your client, as you describe it, was a firm called Country Garden?---No particular reason. I, I, I don't recall that I would have had a reason.

But you didn't identify to Mr Hawatt that there was a firm with a particular name?---I don't, I don't believe I identified it.

At that stage did you regard that information as between you and Mr Hawatt as commercial in confidence, you didn't want to share it with Mr Hawatt? ---No, it just didn't occur, it just didn't occur.

20 It wasn't because you wanted to keep Country Garden to yourself, as it were, at that stage in your explorations?---I, I, I don't think so.

Can I ask that we play, please, a recording number 08361, recorded on 9 May at 3.05pm, so the same day as the previous telephone conversation. ---Ah hmm.

But this time at 3.05pm. And there will be a transcript on the screen in front of you as well if you could follow that, please.---Ah hmm. Thank you.

30 **AUDIO RECORDING PLAYED** **[3.29pm]**

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

THE COMMISSIONER: The audio file and transcript of LII 08361, recorded on 9 May, 2016 at 3.05pm, will be Exhibit 137.

40 **#EXH-137 – TRANSCRIPT SESSION 08361**

MR BUCHANAN: Mr Maguire, you recognised your voice and that of Michael Hawatt in that conversation, did you?---Yes, I did, yes.

And they're correctly attributed as described in the transcript?---Yes.

Can I just ask you a couple of questions about it? Can I take you to page 2 of the transcript. Towards the bottom of the page Mr Hawatt says, “[inaudible] on board [unintelligible] we got him on board. He’s, he’s willing to work with us.” And you said, “Oh, how good is that?” Do you recall listening to that?---Mmm.

When Mr Hawatt said, “We got him on board,” he was using the first person plural, indicating you and him.---I hadn’t had a conversation with, with whoever it was.

10

I’m sorry, you’re going to have to just project your voice.---I’m sorry. I hadn’t had a conversation with whoever it was, only with Mr Hawatt. I had no idea who the person on board was.

Certainly. But, I’m sorry, it’s the first person plural, the word “we” and “us” in that sentence that Mr Hawatt used.---I understand what you’re saying.

I’m asking, you understood him to be talking about you and him as operating as a team, would that be fair to say?---It appears that way, yes.

20

You didn’t correct him?---No.

Instead you said, “How good is that?”---Correct.

Now, going over the page to page 3 of the transcript, a bit over halfway down, you said, “Okay. All right. Okay. Well, this will be very worthwhile for us.” Mr Hawatt said, “I think so, yeah.” You said, “He’s got to do 3 per cent, so.” Mr Hawatt said, “He’s willing, he’s willing to work, to work on that, to help us out with, with that as well.” You said, “Yeah, that, that’s exactly right. All right. Beautiful. Unless, unless, well, I guess once the introduction is made we could, we could probably come to some arrangement.” That is all a conversation, isn’t it, about commissions?--Correct.

30

Commissions that would flow to you and to Mr Hawatt, correct?---Correct.

And so is it fair to say that at this stage you saw this as a money-making exercise to the benefit of you and Mr Hawatt?---I believe so.

40

On 11 May, can I just take you, just to fix the date, page 184 of volume 23. It should come up on the screen.---Thank you.

That’s a copy of an email on the subject of sites, from Mr Hawatt to you on Wednesday, 11 May. And I’m not going to read it all out but you can see it provides you with addresses and bare details of, first of all, the number of units and the stage they were at in terms of approvals for development.---Yes.

What did you do with that information?---That information was primarily sent to Country Garden or delivered.

Did you send it to Country Garden?---I think I did.

Did you forward it to Country Garden or did you send a separate email or what?---No. I don't recall I'm sorry.

10 How did you communicate it to Country Garden?---I don't recall. I, I, I don't recall, I sorry.

But you're satisfied that you did communicate it to Country Garden?---I'm satisfied.

Did you communicate it to anyone else?---I may have. Over time, I may have but I can't be sure how.

20 Well, to whom would you have sent the information apart from Country Garden?---I don't know that I actually sent it. I don't know that I actually sent that information any further but I may have. I am not sure, I'm sorry.

Can I ask you to go to page 170 in volume 23 and to item number 17. Again this is part of a schedule of SMSs extracted from Mr Hawatt's telephone and item 17, second from the top on page 170 is an email – I do apologise, an SMS from you to Mr Hawatt on 12 May, 2016 at 7.13am. “I just need an indication of price before you and I meet with your man next week. Ballpark guess on those not DA and a clear on the ones already DA, then I can progress the discussion.” Do you recall sending that text to Mr Hawatt?---I don't recall sending it but obviously I must have if it's recorded.

30 So, certainly you were still pursuing this information as at 12 May, 2016? ---You could conclude that.

Can I ask that – excuse me a moment. Can I ask that we skip forward for a moment. You'll recall that 12 May, 2016 was the day of the proclamation of amalgamation of certain councils?---Hell on earth, I remember.

40 We will come back to that but I can take you to the succeeding date, 13 May and ask that we play a recording number 08970, recorded on 13 May, 2016 at 12.20pm. I'm sorry, I transposed digits. Can you just pause for a moment while I get it absolutely correct. I misspoke, I do apologise. I meant to say LII 08907.

AUDIO RECORDING PLAYED

[3.39pm]

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

THE COMMISSIONER: The audio file and transcript of LII 08907 recorded on 13 May, 2016 at 1.20pm will be Exhibit 138.

#EXH-138 – TRANSCRIPT SESSION 08907

10

MR BUCHANAN: Mr Maguire, the text message that you've referred to, looking at page 1 of the transcript at about halfway down, that wasn't anything to do with property was it, it was about politics?---Yes.

And it was a complaint, perhaps a venting on the part of Mr Maguire about – sorry, by Mr Hawatt, thank you – about the fact that the government have gone ahead and amalgamated councils after all he had done for the Liberal Party, to that effect?---To that effect. He was always venting, yes.

20

Two lines down. When you said, "I've just spoken to O'Toole's office", was the then Minister for Local Government Mr O'Toole?---Yes, I suspect so.

And when you then referred to the advisory committee for the new council, can you have a look at this document, please. If you could just very quickly scan the document.---Yeah.

30

Is that a copy of a media release from the then premier about local representation councils?---I believe so.

And was that the advisory committee that you were talking to Mr Hawatt about?---Most likely.

I tender the media release headed Councillor Committees for New Stronger Councils dated 12 May, 2016.

40

THE COMMISSIONER: All right. The New South Wales Government media release entitled Councillor Committees for New Stronger Councils dated 12 May, 2016 will be Exhibit 139.

#EXH-139 – MEDIA RELEASE FROM NSW GOVERNMENT TITLED 'COUNCILLOR COMMITTEES FOR NEW STRONGER COUNCILS' DATED 12 MAY 2016

MR BUCHANAN: You said a bit over halfway down, "I've asked them", referring to Mr O'Toole's office, "to put them on, you onto the advisory

committee for the new council.” Had you in a fact asked anyone in Mr O’Toole’s office to do that?---I can’t recall that I did.

Were you – what I’m really asking is was this genuine or you’re just stringing Mr Hawatt along?--- I really can’t recall that I actually asked. I really can’t recall that I actually asked.

10 I do apologise, page 1 of the transcript I should have indicated. Is there a possibility that you were just stringing Mr Hawatt along?---Possible.

Was there any other respect in which you just strung Mr Hawatt along?
---In this?

In respect of anything?---I tried to avoid him having meetings with Ministers.

20 Why?---Well, because there is proper procedure and he wanted to meet with people and it just became more difficult, more onerous, as in more requirements that were being requested of me and I tried to protect our Ministers.

THE COMMISSIONER: And sorry, was that not only in respect of amalgamations but also other issues?---It, it, it became, you know, I felt that, you know, I was being not harassed but badgered, I felt that I’d been badgered and, and so I tended not to take calls and not answer them and to try and stop the annoyance. That’s how it started to happen.

30 And the meetings with Ministers may have been about property issues?
---No, it was, you know, can we meet with so-and so, can we meet with so-and-so, and, you know, to the point where it just started to drive me spare.

MR BUCHANAN: Notwithstanding that, you, I think it’s fair to say, well, you certainly made the first approach to Mr Hawatt to endeavour to gain an income from the identification of properties for development potentially by at least one development company, Chinese development company, that’s correct?---Mmm, mmm.

40 Notwithstanding your expressed caveat about dealings with Mr Hawatt. Is that right?---Yes, that’s correct.

And indeed you pursued your relationship with Mr Hawatt, I want to suggest to you, quite enthusiastically in respect of trying to introduce properties potentially for development by at least Chinese Garden?
---I can’t disagree with you.

I do apologise, Country Garden.---Mmm, I can’t disagree with you.

Now I just want to check. What is your evidence as you sit there now about what you did with the names that you took from Mr Hawatt during that phone call?---I can't recall that I actually approached someone with that information, I truly can't.

Now, can I take you to page 4 of the transcript.---Ah hmm.

The second sentence attributed to you, "I'm, no worries, I'm working hard on your behalf. See you, pal, bye."---Mmm.

10

What did you mean when you said to Mr Hawatt, "I'm working hard on your behalf?"---I think it related to that request.

Which request?---The one that he had made about the nomination.

To be a member of the advisory committee as you described it?
---Mmm, mmm, mmm.

20

Well, can I just point out that unless there was a conversation about it apart from this phone call at 1.20pm on 13 May, 2016, you were the one who made the suggestion to Mr Hawatt of putting him and other he cared to nominate onto the advisory committee.---No, I don't believe that to be true. I think that there was a request and it may have been a conversation or I don't know how that was communicated but I wouldn't have said, you know, who, I wouldn't have made that approach. I think it was made of me and I can't recall how.

30

Before or after the proclamation made on the previous day?---I can't recall I'm sorry.

Really all you're saying to us there is that you can't believe that you volunteered to put him on the advisory committee. Is that right?---Sorry, would you rephrase that?

40

Well, you haven't given us any information at all about what prior communication or contact there would have been with Mr Hawatt on that subject and I'm just trying to summarise the burden of your evidence, is it right that what you're saying is I can't believe that I would have, without him saying something to me beforehand have said that I - - -?---Correct.

- - - will arrange for you to be put on an advisory committee?---Correct. There was, there would have been something that prompted that conversation but I can't recall what.

Why can't you believe that you would have not in fact volunteered it yourself?---No, I wouldn't have volunteered that.

Why not?---I'm sure in my mind, my recollection would have been that I was approached, I was approached to do that. I wouldn't have volunteered that because I didn't know all these people and I would have been approached by Mr Hawatt to - - -

10 But you're going into business with Mr Hawatt with a view to both of you making money. Why wouldn't you have relied upon the information he gave you as to the candidates that it was appropriate for the government to put onto the advisory committee in respect of the amalgamated council?---I, I still don't recall that I initiated that. I, I'm sure in my mind being so far back that, that I was approached to nominate Hawatt by Hawatt and then the conversation happened.

Now, if the witness could be shown Exhibit 132, please. You're aware that there's evidence that the Commission has received about a meeting involving you and a representative of Country Garden and Mr Hawatt and Mr Demian in a coffee shop in the city on 27 May, 2016?---Correct.

20 This is a photograph of the meeting. You can identify yourself obviously. ---Yes.

And is Mr Lakos the person who appears to be speaking to Mr Demian? ---Yes.

Who organised that meeting?---I did.

And what was the purpose of the meeting so far as you were concerned? ---The purpose of the meeting was an introduction in particular about JV.

30 I'm sorry?---Joint venture.

Yes. Can you tell us a bit more, please?---At the meeting prior the evening before I hadn't met Mr Demian. That was the first that I'd met him physically.

The evening before?---Correct.

40 That is to say on 26 May?---Correct. And the conversation revolved specifically around JV, joint venture.

Can you just be a little bit more detailed?---Sorry. Financing joint ventures.

Between whom, what was contemplated?---Between Mr Demian and some financiers, companies that had the ability to partner with him to achieve the very large developments that he wanted to achieve.

Wanted to or wanted to embark upon or wanted to complete?---Hadn't begun. He was looking for a partner because of the sheer size and scale of the proposals that he was working on.

Yes. So that was the meeting the night before, the evening before?---The evening before. I'd never met him before.

And at that meeting who was present?---Mr Hawatt and Mr Demian.

10 And where was the meeting held?---I recall the MLC Centre, perhaps on the deck where we had a coffee or a tea.

And was there a reason why that meeting was held the day before this meeting with Country Garden?---I was requested because Mr Hawatt said there are some things that they, the proponent wanted to discuss first before they met the next day with Country Garden.

20 And did it make sense to you, after you'd heard Mr Demian speak on 26 May, that he would want to speak to you about that before he met with Country Garden?---It did make sense that when he disclosed that he wanted a JV partner, that made sense, but it didn't make sense why, you know, the, the, the discussion, I, I was unaware of what the discussion was going to be all about. Yeah, I was unaware that, that the topic of the discussion, except in the broad picture of the meeting tomorrow, but then it was more specific, this is what I'm looking for.

THE COMMISSIONER: And sorry, when you said he wanted to have a JV partner, that's - - -?---Mr Demian. Yes.

30 MR BUCHANAN: And was the meeting involving you for any particular reason?---Well, because I had spoken to Mr Hawatt about the, the list that he provided and of course that was for Country Garden.

So, sorry, I might have - - -?---The email.

40 - - - been a bit ambiguous. I meant the meeting on 26 May. Why were you at that meeting?---Because I was requested, I had arranged for a meeting the next day and there were some things in an email or a text that, that Mr Hawatt said that they wanted to discuss. It was a little bit convoluted but I agreed to meet and that's where the topic of joint venture came in to it.

And was the partner in a joint venture with Mr Demian contemplated as being Country Garden?---Yes or, or others that could partner, you know, with the size and scale of what he's proposing.

As far as you were concerned, though, did you want to have the meeting on 26 May because you wanted to meet the owner?---No, I don't think, no. I didn't initiate that meeting. I think Mr Hawatt initiated the meeting. As far

as I was concerned, the, the meeting of the next day could have occurred. The request came, you know, "Can you meet. There's some things we want to discuss." That's my recollection.

You didn't want particularly to meet the owner?---No.

10 Then can I take you to the meeting on 27 May with Mr Demian, Mr Lakos and Mr Hawatt and yourself. What happened at that meeting?---Well, there was an introduction, some cordial greetings, I don't recall that I stayed too long. I think that I had another appointment in the city, a function to go to. I may have excused myself but I, I can't recall that I stayed for the entire meeting.

What happened while you were there?---Well, it was just general discussion about, it was just general discussion. I can't remember specifically what was discussed. I can't remember the details but, but it was pleasantries and that's really all I can remember about it, I'm sorry.

20 Mr Maguire, the purpose of it was to introduce the owner of properties in which Country Garden might be interested for the purposes of acquisition for the purpose of development, wasn't it?---Well, correct but - - -

Wasn't anything like that discussed at all?---But I don't know that those discussions progressed there.

I'm not suggesting they progressed. Was there nothing like that discussed at this meeting?---Most probably, yes.

30 Well, you were there.---Well, I don't recall the, the finer detail. It, I'm sure it was general discussion about, you know, the email with all of the properties that were listed on it but I, you know, it's a long time ago.

40 Wasn't Mr Demian there for a purpose? That is to say, to make a presentation for as long as the length of the meeting allowed to a potential purchaser about properties in which the purchaser might be interested? ---You say presentation, I don't recall that there were presentations made. Presentations in my understanding are in a format and documents et cetera. I think it was a general meet-and-greet and perhaps there was an agreement that later there would be some conversations with Country Garden but I can't recall that there were presentations as such.

So you're quite sure, are you, that whilst you were there Mr Demian didn't say anything about any particular property that he might have that Country Garden might be interested in?---Well, he may have but I don't recall, I'm sorry.

You see as far as you were concerned, as far as you and, as you knew it, Michael Hawatt were there was to try to facilitate interest on the part of Country Garden in properties that Mr Demian had available for sale.
---That was the intent of the meeting, you couldn't disagree with that.

And nothing like that happened?---Well, I'm saying there was general discussion but I don't recall the detail of that general discussion.

10 I'm not asking you to recall the detail, I'm asking you to recall the subject matter of the general discussion.---Property.

Was it not about properties potentially for sale?---Property, yes.

That is likely to have been the scope of the vast bulk of the discussion, isn't it?---Yes.

In terms of the purpose of the occasion.---I couldn't disagree.

20 Excuse me a moment. Can we play, please, a recording LII 10493. This is going to be a long telephone call, Commissioner. It is of a call made on 2 June, 2016, commencing at 9.06am.

AUDIO RECORDING PLAYED

[4.02pm]

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

30 THE COMMISSIONER: The audio file and transcript of LII 10493 recorded on 2 June, 2016 at 9.06am will be Exhibit 140.

#EXH-140 – TRANSCRIPT SESSION 10493

MR BUCHANAN: Mr Maguire, you recognised your voice and that of Michael Hawatt in that conversation?---Yes, I did.

40 Can I take you please to the second page of the transcript, and the bottom of that page, that part where you said, "I've got, I've got another client that has given me orders for three particular properties," is recorded.---Mmm.

When you said "Another client," you meant a client other than Country Garden. Is that right?---Mmm, I believe so.

Was that a client in Australia?---I can't recall.

Well, does the fact that you've said, "Has given me orders for three particular properties," how many entities have given you orders for three particular properties?---I, I can't recall, but I'd only be guessing, I'd only be guessing.

Well, is that because you have so many clients for whom you act in sourcing property that can be acquired for the purposes of development that you can't remember which one?---I think a more appropriate word is contact. I think a more appropriate word there would have been contact.

10

And who was that contact?---I just can't recall, I'm sorry.

If they've given you orders then that would sound, the word client would be an appropriate description, wouldn't it?---You could draw that conclusion.

What other conclusion could be drawn?---I don't know that you could draw another conclusion.

20 Can I take you to page 4 of the transcript, please. A bit over halfway down Mr Hawatt said, "Cause it's got the DA approval, it's got everything." You said, "Well, it, that's what I need, the whole package." That would tend to indicate that when you were after a package you wanted the package to include the DA approvals, didn't you?---Because that would have been a requirement if the investor was from China or somewhere like that.

Why is that?---Because DA-approved was always a standard requirement.

30 So if the client's request was to obtain DA-approved properties or at least identify them, then what the client wanted was to see the DAs, amongst other things. Correct?---They would want to see the documents that support the, the proposal and it could have included DAs.

But if they wanted DA-approved properties, inevitably they wanted to see the DAs.---And that's something that I guess that they would have seen if they entered into discussions during the process.

40 But you are the one who used the language, "That's what I need, the whole package," after Mr Hawatt said, "It's got the DA approval, it's got everything on it." You're the one who said that essentially the package needed to include the DAs.---Yes.

Why did you say that to Mr Hawatt?---Because it was important that the approvals had occurred because shovel-ready projects were the focus of any request that people would make or any inquiries they'd make.

And it would be inevitable that the client who wants a DA-approved property would want to see evidence that it is in fact DA-approved before they start even considering investing in it.---I would assume so, yes.

Can I take you to the bottom of that page. You've said, "So what I, what I want to be able to have here, here is, is some of those folders so once Country Garden says yes, no, whatever we can then move on because I, I've got half a dozen people."---Yes.

Was half a dozen people a reference to potential clients?---Yes.

10 Page 6 of the transcript. There's a reference to retainer there. Sorry, this is at almost halfway down the page. You talk about your meeting this afternoon and you say "I'm talking, you know, well, just pay a retainer and then if I go to work will you pay me a couple of grand a day", that's a reference to – I withdraw that. You were talking out aloud with Mr Hawatt what you intended to go through with Country Garden if things went well? ---I believe so.

20 Now, can I take you to page 7. Towards the bottom, no, it's about three-quarters of the way down the page you said, "In return what we do is those things that I place that you put me onto with Charlie and others you negotiate the dollars and cents." What was the negotiation you wanted Mr Hawatt to do of dollars and cents, what dollars and cents?---Well, I assume it was for a fee of some description.

30 So in this part of the conversation you seem to be dividing up the labour between the two of you indicating your strength was in one area and Mr Hawatt's was in another area. Can I ask, what was it about Mr Hawatt or what he'd done or said that gave you the impression that his strength was in negotiating the dollars and cents?---I can't tell you what gave me that impression.

Why did you assign to him the task of negotiating dollars and cents rather than taking that part of the exercise on yourself?---I think because he brought the, the owner/developer to me I assumed there was a relationship where he could negotiate.

40 But you thought that his negotiation with the developer, tell me if I've got this wrong, of the dollars and cents was something in which, which was more appropriate for Mr Hawatt to do or in which he had, that was his strength?---Well, I felt that he was in a position to do that and it may have been his strength but that's what I felt was he was in the position to do it.

But you got the impression from him – we've heard a couple of phone calls. You got the impression from him didn't you that he did have the capacity to calculate appropriate negotiating prices?---Yes, I did.

Then you went on to say, page 7 still towards the bottom of the page "and you and I, you and I can share that okay".---Yes.

So that's sharing the commission - - -?---That's clear.

- - - paid by the developer. Is that right?---Well, that's clear.

THE COMMISSIONER: Sorry?---That's clear. That appears to be very clear.

So that was a money-making, another money-making exercise for you and Mr Hawatt?---Should it be successful.

10

MR BUCHANAN: And that's reinforced on the next page, page 8 a little over halfway down Mr Maguire says "That's right. So, so you, so you and I will share that."---Yes.

20

I just want to be careful about the language you've been using in answering questions on this. You've used language to the effect of yes, that's what it looks like, that's what is clear. Can you tell me an answer to this question, was it the case that you and Mr Hawatt were going to share or were planning in sharing commissions obtained from property developers who sold their properties to clients of yours to whom they were introduced?---I believe it was the intent. I believe it was the intent.

THE COMMISSIONER: Does that mean that no commission ever eventuated?---Correct. On any of this, any of these, not a commission.

But if it was successful, your expectation was that you would have shared a commission with Mr Hawatt?---I would, I would agree to that.

30

MR BUCHANAN: Payable by the vendor?---I would assume so.

And why would the vendor pay you and Mr Hawatt a commission? I'm not trying to be cute when I ask that, I'm just simply asking what's in it for the vendor to pay you and Mr Hawatt a commission in the circumstances that you and he were discussing, that you were envisaging?---Well, I imagine that the vendor would find a, a suitable purchaser slash – or financier in a, in a partnership, a JV.

40

That otherwise absent your introduction wouldn't have occurred?---May not have occurred.

Well, not to that to that particular purchaser anyway.---But it may have occurred, it may have.

Yes. When you say, "May have occurred," are you talking about in the, in the whole world anything can happen?---Correct.

Thank you. Now, can I just go down to the bottom of page 8, when you said – I'm sorry, I should probably take you up a little just to give it context.

You said, "It works two ways. I need someone to go and to do some, some door openings and lobby work and whatever I can make, all the appointments and do all that, but it needs you to go and take them to talk through the planning issues and do all that and because you're well-known, you know, you can talk to planning. You can talk to those people and do a legitimate job." What was it you envisaged Mr Hawatt was needed to do in talking through planning issues?---I would assume that if there were problems, he could work through them because he appeared to me, always to have a thorough knowledge of planning.

10

And when you say problems, do you mean with regulatory authorities that looked after planning?---With the process of, of further developments that might occur.

Now, just in the middle of the page, on page 9, just a bit over halfway down, you said, "They with Charlie's stuff because, because you and I have made the introduction to Country Garden," that's a reference, is it, to the events of 27 of May, 2016?---I believe so.

20

Thank you. Page 11 of the transcript, three entries down, you said, "I will leave you to talk to, to talk to Charlie about what rates you," what are the rates there that you were referring to?---I'd suggest, well, on the face of that you would think some kind of fee.

The commission?---I would, I'd suggest that would be right.

30

THE COMMISSIONER: So, with all this commission discussion with Mr Hawatt, you were attempting to do business with him whereby you would share a commission if it was ultimately successful?---Certainly appears that way.

When you say - - -

MR BUCHANAN: Well, no. Sorry, Commissioner.

THE COMMISSIONER: Sorry, Mr Buchanan, you go ahead.

THE WITNESS: Sorry.

40

MR BUCHANAN: When you say, "It certainly appears that way," you're making it sound as if you're reading about something that you weren't involved in but you're the person who was involved.---The answer is yes.

This is simply evidence of what happened.---The answer is yes.

Thank you. Now, a little over halfway down you said, "Yep, yep. Because, because I have got, I have got more chance of opening the door to our friends that you have." Is that your strength – what you could bring to the

partnership that was being proposed with Mr Hawatt?---I would agree with that.

Excuse me a moment. Now, can I just take you to page 15 of the transcript, about three-quarters of the way down that page.---Ah hmm.

Now, Mr Hawatt said, “Oh, look, what we do from now on, everything, whatever we do has got to be confidential, what, whatever you and I talk about it will just be you and me talk about that.” What did you understand –
10 I’m sorry, I’m just being reminded that I’ve just taken it out of context. I withdraw that question. I’ll take you up to the middle of the page. You said to Mr Hawatt, “So, so I don’t want to get too much out there, I don’t want too much information out in the marketplace, if you know what I mean.
---Mmm.

Why did you say that to Mr Hawatt?---I think that related to the placement of projects - - -

Yes.--- - - - in a timely fashion, meaning that, you know, the, the projects
20 that were being listed needed to be dealt with in a timely fashion.

And when you say in a timely fashion, do you mean that you wanted a sort of conveyor belt of projects for you and Mr Hawatt to deal with and you didn’t want a large number of projects out there that other people might be able to pick off on behalf of your potential client?---No, no, I don’t think that’s what I meant. I think what I was getting at was that there were a number of people that had expressed an interest as, as we talked about before in DA-approved properties and what the intent was not to, you know,
30 have them en masse was to be able to let them consider what they’d like to pursue.

Well, is that a frank answer, Mr Maguire?---Well, I, I believe so because if you’ve got one or two or three options then - - -

Who is you in that context?---Me or, or whoever.

Yes.---Then you’d want to place them with for instance you, give you time to consider that, and because I just, I would suggest that everyone has different needs, different requirements, so - - -
40

But how would the fact that the world knew that these properties were being introduced to clients or potential clients of yours affect the ability of say Country Garden to give due consideration to each property?---In that industry everybody knows everybody.

Yes?---So - - -

You just didn't want competitors. Isn't that what it meant?---(No Audible Reply)

10 You didn't want competitors in respect of the property owners, the property developers that with the assistance of Mr Hawatt you had identified and were proposing to identify for the benefit of your clients or potential clients. ---I don't think that was the intent. I think the intent was to be able to provide to companies, development companies or investors packages so that they could consider what was in them because off-market DA-approved properties are what was being requested, in other words, it wasn't on the open market.

20 I have to say to you that I'm sorry, Mr Maguire, but I find that explanation very difficult to follow and a very unlikely explanation for what you have put there, but I've given you two opportunities to explain it. I have put to you another construction, namely that you didn't want competition and in respect of the developers who would be introduced or potentially introduced and that is why you wanted confidentiality in the relationship that you had and were embarking upon with Mr Hawatt, isn't it?---No, I can't agree to that.

Did you want competition in respect of those property developers?
---(No Audible Reply)

Other people who could perform the same role as you and garner the same fees as you - - -?---That - - -

30 - - - were discussing with Mr Hawatt?---That's a reality of life in, in the marketplace.

And if you can restrict that reality then you protect the opportunity to garner the fees?---I don't think, I don't think there was an intent to restrict it.

Competition, restrict competition. No?---No. There's always competition in the market.

40 Yes, but not if competition is unaware of the existence of the property developers who might introduce these properties to your potential clients?
---I still can't agree that was the intent.

Excuse me a moment. Is this what you mean by your answers to my questions on this subject that you wanted to hold the available properties or information about them sufficiently closely to you to allow your clients or potential clients an opportunity to consider those properties without any commercial pressure from others?---Yes, I think that's more accurate.

Thank you. That's my examination of the witness.

THE COMMISSIONER: Thank you, Mr Buchanan. Mr Moses?

MR MOSES: I have no questions of the witness, Commissioner.

THE COMMISSIONER: I'm sorry, let me just – Mr Andronos?

MR ANDRONOS: No questions, Commissioner.

THE COMMISSIONER: Is Ms Bennett still there?

10

MS BENNETT: No questions, Commissioner.

THE COMMISSIONER: Mr Drewett?

MR DREWETT: Commissioner, I don't have any questions. I do have one matter that I wish to raise though if I may. It would appear that the photograph that is said and in fact does contain the images of my client, this witness, Mr Charbel Demian and Mr Lakos - - -

20 THE COMMISSIONER: Is this Exhibit 132?

MR DREWETT: Yes, that's the one. Is, appears to be the front page of the Sydney Morning Herald as we speak. I'm curious as to how that could be, and I say appears to be from having a look online. That could only be if it was provided to someone from that particular newspaper perhaps from someone from ICAC or if a photograph has been taken of that image, and I don't know whether the Court Security Act, and I might even be misquoting that, would cover this as a court - - -

30 MR BUCHANAN: Can I assist. Can I shorten this. It's an exhibit. That means it has been put on the Commission's website. It's available to the public.

THE COMMISSIONER: Yes, that's my understanding, Mr Drewett, that - - -

MR DREWETT: I wouldn't think it would be on there as we're speaking now.

40 MR BUCHANAN: Yes, it went into evidence yesterday.

MR DREWETT: Oh, it did so. It did so. I'm sorry.

THE COMMISSIONER: Yes.

MR DREWETT: Yes, I'm sorry, Commissioner. I'd forgotten it was on yesterday. Yes. Thank you.

THE COMMISSIONER: Mr Pararajasingham?

MR PARARAJASINGHAM: No questions, Commissioner.

THE COMMISSIONER: Ms Gall?

MS GALL: No questions, Commissioner. Might the witness be excused?

10 THE COMMISSIONER: Can you just bear with me for a minute.

MR BUCHANAN: The witness can be excused.

THE COMMISSIONER: All right. I wanted to make inquiry about have you had a chance to look at the diaries and was there anything - - -

MR BUCHANAN: There has been a sufficient chance to assess the diaries for the purposes of this inquiry.

20 THE COMMISSIONER: All right. Mr Maguire, thank you.---Thank you, Commissioner.

You are excused.---Thank you.

THE WITNESS EXCUSED **[4.39pm]**

30 THE COMMISSIONER: We stand adjourned until Monday morning at 9.30.

AT 4.39PM THE MATTER WAS ADJOURNED ACCORDINGLY
[4.39pm]