

DASHAPUB06582
12/04/2019

DASHA
pp 06582-06615

PUBLIC
HEARING

COPYRIGHT

INDEPENDENT COMMISSION AGAINST CORRUPTION

PATRICIA McDONALD SC
COMMISSIONER

PUBLIC HEARING

OPERATION DASHA

Reference: Operation E15/0078

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON FRIDAY 12 APRIL, 2019

AT 2.00PM

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

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

MR BUCHANAN: Mr Hawatt, we were before lunch looking at material in mid-January 2015 going into late 2015, but I want to take you back if I can to 5 January, 2015 when you worked with Mr Kent Johns for the production of copies of a code of conduct complaint to the Office of Local Government and to the Minister for Local Government. Do you remember that?---Yeah.

10 And I asked you about a text message which is in Exhibit 84 at item 35, which has Mr Johns texting you at 10.23pm, "George Vasil has it." And I was asking you whether that was a reference to the draft code of conduct complaint, and you said it wasn't, it was a reference to something else. ---Yeah, I said it could have been his issues with Sutherland Council.

Oh, but could it have been - - -?---It could be.

- - - the draft code of conduct complaint?---No, no, no. The, regards to George Vasil, the message that he's got it could be from some issue had had
20 with, with Sutherland Council which he has properties he has complaints about all the time.

I see. But why couldn't it be, as you understood it, a reference by Mr Johns to George Vasil having the document, the code of conduct complaint that you and he had produced?---I don't think Kent would be, get George involved in, in something like this, from, from what I know of him.

Why wouldn't he?---Why should he?

30 Because George Vasil is a political operator in the Canterbury local government area with the same political affiliation as you and Mr Johns. ---He has nothing to do with the code of conduct but.

Well, Exhibit 84, Commissioner, is a set of text messages extracted from Mr Hawatt's telephone which have one feature in common, and that is that they have a reference in them or are to or from George Vasil.

THE COMMISSIONER: Ah hmm.

40 MR BUCHANAN: Can I show the witness, please, another - - -

THE COMMISSIONER: Sorry, to or from George Vasil or referring to George Vasil in the message?

MR BUCHANAN: That's right, yes. Can I show the witness now, please, with a copy for you, Commissioner, I'm showing you a fresh document now and it's another series of messages extracted from your mobile phone, but the criterion used for this extraction is that, as you can see, the party with

whom you were communicating was Kent Johns. All of them are to or from Kent Johns. Do you see that?---Yes.

Right. Now, can I take you to page 3 of this extraction.---Yep.

And item 17 is the same message that we looked at in Exhibit 84 at item 35, namely the message from Mr Johns at 10.23pm on 5 January, 2015, which read, "George Vasil has it." Do you see that?---Yeah.

10 Could you just look at the preceding message, message number 16, at 10.08pm, you messaged Mr Johns, saying, "Hi Kent, I could not read the second document to the minister due to a virus on your PC. That's the message we are getting. Michael Hawatt." And you responded, I'm sorry, Mr Johns responded – item 17 – "George Vasil has it." And then, if I can just take you to message number 18, to complete the picture, at 10.24pm, you messaged Mr Johns to say, "He is also having problems with this one." You see that?---Yes.

20 So plainly, when Mr Johns texted you at 10.23pm, saying, "George Vasil has it," he was referring to the document that I suggested he was referring to, namely the document that you and he had put together, being the code of conduct complaint. Do you accept that?---That, yes, that sounds, that sounds correct, because I could, if I couldn't get it on my, on my email or computer, presumably I use Con Vasil's computer to, to send it to.

30 Well, how did you find out that George Vasil was also having problems with that file?---I, I must have asked, I must have been at George Vasil's office or Con's office and asked Kent to resend it because I needed it and probably send it to his office, and I said, he's got it, he, he got it or he couldn't get it, that's (not transcribable)

Well, except that's not what is recorded here. What's recorded here is that upon Kent Johns telling you, "George Vasil has it," you immediately responded, "He's also having problems with this one."---That means - - -

40 In other words, you knew that the file had been sent to Mr Vasil and that Mr Vasil's experience was the same as the experience you were having, namely that it appeared to be infected with a virus.---I must have requested him to send it to Con's office. If, if my, if my computer - - -

Well, that's not what you said. You said, "George," – I'm sorry, that's not what Kent Johns said. He said, "George Vasil has it." He didn't say Con Vasil.---Yeah, George, oh, it's, it's the same office, the same computer, the same printer. So if it came through, it could be, yeah, George Vasil, but it's, it's everyone's printer, everybody's fax.

And you said, "He," being a reference back to George Vasil, "is also having problems with this one."---Correct, his computers, which is in other words, it's the computers in the office.

I tender the extraction report of SMSs between Mr Hawatt and Mr Johns, between September, 2014, and June, 2016.

10 THE COMMISSIONER: The extraction report containing text messages between Michael Hawatt and Kent Johns covering the period September, 2014, to June, 2016, will be Exhibit 286.

**#EXH-286 – EXTRACTION REPORT CONTAINING TEXT
MESSAGES BETWEEN MICHAEL HAWATT AND OF KENT
JOHNS COVERING THE PERIOD SEPTEMBER 2014 TO JUNE
2016**

20 MR BUCHANAN: Returning to the second half of 2015, Mr Hawatt, can I ask you, please, to have a look at volume 4, page 209? This is a two-page email from Chris Watson to you, of 21 January, 2015. Can you see that?
---Yeah.

The salutation is, "Dear Councillors," plural.---Correct.

And the message is one paragraph. "As requested, I've set out below a summary of my CV, et cetera, et cetera. Best regards, Chris Watson." And then there is set out a short resume. You see that?---Yes.

30 What were the circumstances that caused Mr Watson to send that to you?
---Because he's the only one I was communicating with. I was the councillor that he was communicating with.

And what was the communication that caused him to send that to you?---It was regarding, looking for the alternative to having an acting GM once Mr Montague left, gone.

Had you sent an email to Mr Watson?---I, I met, I met him.

40 You met him.---I met him, yeah, I only met him.

Where did you meet him?---Oh, it was, I was introduced by Kent Johns.

And where did you meet him?---I can't remember where I met him first but I, I did meet him. He might have, when did I meet him. I can't recall, somewhere, I can't recall where.

When did you meet him?---Well, probably just prior to that email.

And what were the circumstances in which you came to meet him?---Just to get his opinion as a, an ex-GM with experience to find out what's the procedures and the process and what's required and how he can assist us.

Was anyone – I withdraw that. Who was with you when you met Mr Watson?---I think the first time it was just him and I, the first time.

Was Mr Johns there?---No.

10

Did Mr Johns arrange the meeting?---Look, I'm not sure if he gave me his number and I called him or he called him and told him I'm going to call him. I don't recall this.

And did you have a subsequent meeting with Mr Watson?---We did, we had a meeting with the councillors. He met the councillor, he met Mark Adler and other councillors.

20

How many other councillors?---I don't recall how many but he did meet a number of councillors.

Where did that subsequent meeting take place?---I don't recall. Could have been, again, at a club, could have been at the coffee shop, I don't recall.

In an informal setting?---Informal, yes.

30

And what arrangements were made for councillors to attend that meeting? ---I think it was open to whoever wanted to come at that time. I just, from, from memory but again, I can't recall exactly what, who was there and how it happened, I don't recall but - - -

Did you arrange that second meeting?---Well, I arranged the meeting because I'm the one that was in contact with him.

And what were you trying to do by organising that meeting and having these contacts with Mr Watson?---I want councillors to, to, to meet him and make a decision on, on, on his background, if they're happy with him, to, to, to get acting general manager.

40

So you were putting him forward as your candidate to replace Mr Montague?---Well, no, he wasn't one, I spoke to another, another person as well.

Who was that?---I, I can't remember his name.

You don't want to tell us his name, is what you mean, isn't it?---No, I, I can't remember his name, honest.

It was a male?---It was a male, yeah.

And where had they previously worked?---He was, he was again, a general manager from, I, I remember meeting him in Concord. There was one I particularly remember because he was the first one I met, I met.

What was the background of this other candidate?---He was also a retired general manager.

10 Yes, from what municipality or local government area?---I can't remember. I can't remember.

Was it a Sydney local government area?---Yeah, he, he must have been a local, yeah, probably, I can't remember, but I can't remember.

And who was present at that meeting with that other candidate?---Just him and I.

20 And how did you come into contact with that other candidate?---I, I don't recall. Someone might have recommended him, I don't recall.

Did Mr Johns - - -?---No, not that I can, look, I don't recall, I don't remember how I got a hold of those two.

And why were you meeting this other candidate?---To see, again, his position but he refused, actually he was the first one I, I spoke to but he said he was a close friend of Jim Montague and he couldn't, he couldn't move on with it. I don't remember.

30 Why couldn't he move on with it, as you understood it?---Oh, because he didn't want to, he felt, sort of towards his friend, Jim, and didn't want to be seen as, you know, working against him.

But Chris Watson expressed no such scruples?---No. Chris Watson was a straight shooter and he just, as long as everybody went by the book and straight, then he would go ahead with it and he felt that what, what the GM did was, was wrong.

40 Mr Watson expressed that view to you, did he?---Yes, he did.

And what was it that you understood Mr Watson thought what Mr Montague had done was wrong?---Well he, he sent me a lot of correspondence looking at his position and his point of view regarding some instances that he's been reading in the newspapers and, and the actions that was going on, and he sent an email explaining what, what should be done and how it should be done and so on. So he was a very, person who understood the, the council business.

So at the meeting with Mr Watson which you attended, which other councillors also attended, was Councillor Eisler there?---I, I don't recall. Most likely not, but I can't recall.

And why not?---Because she was against us, she didn't want to have anything to do with us.

10 Was she invited to the meeting?---She was working with Brian Robson so there was a, there was a split in the council between three and seven councillors.

And so the A Team, as you called the majority of the councillors who attended your meetings and were supporting you in this dispute with Mr Montague, met with Mr, I'm sorry, were invited to meet with Mr Watson but the others were not. Is that fair to say?---Could be, I just can't recall.

Well, it's likely to be the case, isn't it?---I can't recall exactly. I don't remember how and where we met.

20 What you intended was to engineer a coup, to have the position of general manager filled by a person selected by you and the councillors who supported you.---That's incorrect.

Did, as far as you're aware, any other councillor try to introduce a potential candidate to replace Mr Montague?---No.

30 You were the only one who did that. Is that right?---I'm the only one who introduced the acting GM because I moved the motion to sack the GM and as a, it's my responsibility after moving that motion to ensure that the function of council continues with somebody ready to take over and make sure that everything continues. I'm not going to sack or move to sack a GM and leave a hole for the council, that's irresponsible of, of myself to do that.

40 Well, as I suggested to you yesterday, there's nothing, it would be hardly unprecedented if a general manager departed and an acting general manager was appointed from amongst the directors and the council put in place a recruitment process to obtain the best candidate to be appointed general manager. That would not be unprecedented, would it?---Well, most of the directors at the time, none of them would accept the position because they were all loyal to the general manager.

You actually spoke to the three directors?---They were working with him, they all walked out with him during a meeting, none of them didn't want to have anything to do with the other councillors.

That didn't occur until 27 January, 2015, I want to suggest to you.---Yeah, but they're all loyal to Jim, they're all being loyal to Jim.

Yes?---We know that.

And you didn't attempt to find out whether any of them would be prepared to act as general manager, did you?---I wouldn't have put them in the position, in a position where they're going to have an animosity with Jim so it was safer and better and cleaner to ensure that an independent person with experience, lots of, an honourable person with lots of experience could come in and clean up the place.

- 10 What conversations did you have with Mr Watson as to what his attitude would be to the offer of employment that had been made by Mr Montague to Mr Stavis being honoured?---From, look, I, I, I can't recall speaking to him specifically about this, there was a general discussion in regard to the actions of the general manager and from his opinion the actions are wrong.

- 20 It is inconceivable that you would be prepared to put forward a person who would potentially exercise the power to fill the position of director of planning without checking first that they were going to, if they had the opportunity, honour the offer of employment that had been made to Mr Stavis. That's simply inconceivable, given the tactics that you had been following consistently, week in, week out, since late December.---That's an incorrect assumptions from yourself.

Why?---Because if you know Mr Watson, he was a very honourable person who would never, ever be seen towing the line and doing the wrong thing. And the reason I liked him because of that, he was an honourable person in any decisions.

- 30 I just want to point out that whether he's honourable or not has got nothing to do with whether or not you were satisfied that if he was put in the position of being able to appoint the director of planning he would appoint Mr Stavis.---It was up to him.

You must have been satisfied of that.---It was up to him as an acting director at - - -

- 40 Please. Please, please, please. Could you answer my question?---I can't influence him, if he's the, as, as a, a, as acting general manager. It's not up - - -

You were satisfied, surely, before you put Mr Watson up to be considered by other councillors, even those who supported you, you were satisfied that Mr Watson would do what you were trying to achieve throughout this exercise against Mr Montague of ensuring that Mr Stavis became director of planning.---That's incorrect.

Excuse me a moment. Volume 4, page 223. This – excuse me. This is a document that was found at your residence when the search warrant was

executed. It's a typewritten document which you've annotated – oh, sorry, which has the handwritten annotation, "Voicemail." You see that?---Yep.

Whose handwriting is that?---That's Con Vasil, I think.

And how did this document come into existence, as far as you understand it?---We must have requested, well, I must have requested Con to give me a copy of the call that Brian Robson gave, made, made to him, because he was accusing us of wrong things.

10

Why did you ask Con to do that?---Because he told us that he called, and he's making complaints.

And do you know how this transcript came to be created? That's to say, who did the typing?---I think Con.

20

Thank you. Can I take you, please, to volume 4, page 227? These are text messages extracted from your phone that you sent on 26 January, 2015, to Councillor Kebbe, Vasil, as in Vasiliades, Adler, Nam, and Azzi, and it refers to, "Our extraordinary meeting is held tomorrow."---Yep.

So this is a reference to the extraordinary meeting that you had called when you and Mr Azzi went to Mr Robson's on Christmas Eve, and that finally was convened to occur on 27 January, 2015. You understand that?---Yeah.

And so when you say, "Our extraordinary meeting is held tomorrow," this is a text that you were sending, wasn't it, to rouse the troops, to ensure that the meeting went as well as it could from your point of view?---Yes.

30

You said, "We are meeting at 5.30pm in my office tomorrow to talk tactics and strategy."---Correct.

Which office was that?---My office in Lakemba.

40

Was there a reason why you were meeting on that occasion in your office in Lakemba?---Yeah, because there was a lot of threats made against the councillors and they were really uncomfortable being there. The unions were there. The staff were there from (not transcribable) the staff from the parks and all that. So there was a lot of pressure on councillors and they felt intimidated and threats, and it was safer to, to meet in my office and go together to the meeting.

Can I just enquire though, it's clear that a number of meetings occurred of these councillors in – and yourself – during this period of disputation with Mr Montague at Ray White Real Estate Earlwood, and my question really is, why did this meeting occur in your office, rather than at Ray White Real Estate Earlwood where previous meetings had been held?---Because this is,

we're all ready for the meeting, and it's closer, it's not that far from, from my, from my office to the council.

Is it possible to walk from your office to - - -?---No, no, but it's only five, five minutes by car.

It's close, in any event.---Yeah, yes.

10 I see. Now, excuse me, please. This is 26 January. Can I just go back to 23 and 24 January, volume 4, pages 51 to 52. Item 16 is a message to Ms McClymont extracted from your phone that was sent on 23 January, 2015. Again, the material that you were providing to her was adverse to the general manager, correct?---It looks that way but it's not.

And why is it not?---Because this was a, this has been ongoing for quite a long time. I've raised this issue with the GM many times at council meetings and I felt that the council was losing a lot of money based on that decision that the general manager, manager made.

20 But it was adverse to him. You were trying to put out into the public arena at the time that was four days before the scheduled extraordinary general meeting to consider the motion to have Mr Montague terminated. You were clearly trying to pressure Mr Montague and anyone who might consider supporting him into ditching him.---No. This, this, this had been on the back of my mind for a long time.

It might have been but you took the occasion on 23 January, 2015, to send it to a journalist.---This is in the interest of the council and the, and the residents of Canterbury Council.

30 What did you think Ms McClymont was going to do with it?---Raise, raise the issue that council has financial implications in regards to, to what the, the decision made by the general manager. Because I felt we, we'd been had on this particular one. I still say it, we've been had. I'm protecting the interests of council on this one.

40 Can I also ask you about message number 18. You sent another text on the 23rd, this time at 4.48pm. You were endeavouring, were you not, to put material into the public arena that would throw an adverse light on a union that was supporting Mr Montague?---No. For them to have a barbecue and to the entry of going into a meeting, that's intimidating us. They're intimidating us by being there at that time, knowing that we're going to come to a meeting.

But what you were doing is trying to put out into the public sphere material that would support you and be adverse to Mr Montague.---No, this was, there was a fear from, even Councillor Adler was so concerned about this,

he even sent a letter to the police. So there was nothing to do with Montague on this one, it's to do with safety for the councillors.

And then the next day at 8.41am, sorry, turning over the page to page 52, item 19. The next day at 8.41am, you sent another text to Ms McClymont. This time the topic was a - - -

THE COMMISSIONER: I think it's the iPad.

10 MR BUCHANAN: Thank you, Commissioner. Why did you send that to Ms McClymont?---Because that's what's happening. There was a lot of threats. We wanted to alleviate or reduce it if the media got a hold of it, saying look there, there's going to be some threats, well, threats were made and, and Councillor Adler was worried for his safety. We wanted to - - -

THE COMMISSIONER: Sorry, this is number 19?---No, which, which one are we talking about? Oh, sorry, I'm looking at the wrong one. Sorry.

Sorry, we moved to 19, had we?

20

MR BUCHANAN: Yes.

THE WITNESS: Oh, 19, sorry. I'm looking down the bottom. I missed it. Oh, yeah, this is the deal with the iPad, yes.

MR BUCHANAN: You were using the media, or attempting to use the media in your dispute with Mr Montague, weren't you?---That's got nothing to do with Mr Montague, this is to do with the complaints I received that were always in the newspapers and a lot of people's Facebook, criticising me, and on TV, criticising me for using my iPad.

30

All sorts of weapons were being deployed in the battle with Mr Montague, people fought back and you tried to, shall we say, have their fighting back put into perspective.---Oh, look, this is your own opinion. I'm afraid that's not correct. It's not correct.

What's incorrect about that?---This is based on animosity between parties, people throwing dirt on each other, it's got nothing to do with anything else except the iPad, I'm defending myself on the iPad because I was, it's published in the newspapers, I was on TV being criticised, people were calling me and abusing me and I didn't, I did not do anything wrong and I was cleared by the investigator from the Office of Local Government.

40

And then item 21 is on 26 January, 2015 at 5.21pm, and it is entitled Media Release. "Canterbury City councillors fear for their safety." Can I ask you, at the bottom the text message is signed by you and you provide your mobile number. Was that a media release that you were sending to Ms

McClymont?---I don't remember who else received this but there was lots of worried about the, the union being there - - -

No, no, no, before we get to that, I'm asking you about media release and then a headline in inverted commas as the start of this text. You were sending a media release to Ms McClymont. Is that right?---I think it went to a few places because there was the media that came, ABC, The Herald, other newspapers at the meeting.

10 So you sent it to another media source as well, did you?---I think it might have went, yeah, I think it might have went to some others.

In any event, you constructed this media release. Is that right?---I think with the help of Mark Adler.

And it shows, doesn't it, that you clearly were trying to use the media to assist you in your campaign to have Mr Montague terminated?---That's incorrect. I was trying to protect our councillors.

20 THE COMMISSIONER: So why did you add at the bottom, "The USU officials Graeme Kelly, general secretary, a close friend of the GM."
---Correct, very close.

But if this isn't being used, in the words of Mr Buchanan, as part of your war against Mr Montague, why include that detail? It's not necessary.
---Because he, he, because he, he appointed him to the board of, of - - -

30 No, you're not – listen to my question. Why include that detail if it's not ammunition against Mr Montague?---No, because he's, he's in charge of the USU. That's my, he, he's the one who's running this whole thing.

Mr - - -

MR BUCHANAN: Sorry, when you say he, are you talking about Graeme Kelly?---Kelly, correct. He's the one who's in charge of the USU union. He's the one organising.

40 The Commissioner's question though is why did you add that descriptor in relation to Mr Kelly about his relationship with Mr Montague?---Just to show there's a strong relationship between the two.

Yes. And what was the relevance of that as far as you were concerned in putting out this media release?---To say that's why the unions are there, because it's to support Jim Montague.

THE COMMISSIONER: Hence it's, you're using it as ammunition in this dispute you're having with Mr Montague.---Well, because we've been, the councillors have been threatened and we sent that email.

MR BUCHANAN: Excuse me, please. Now, just excuse me a moment, please. If you go, please, to volume 4, page 234, and this is the business paper for the EGM of 27 January, 2015, and can you see that it sets out the content of the motion of which you gave notice in the call for the EGM that was delivered to Mr Robson on 24 December?---Yeah.

10 And can you see that there are two motions? The first one is in four parts, parts A, B, C, and D. And then after that, it's set out here a second motion.
---Yep.

The first motion concerns the termination of the general manager.
---Ah hmm.

And the second motion concerns the appointment of Mr Stavis as director of planning.---Ah hmm.

20 Can I now ask you to please have a look at page 240? This is a document that was found in your residence when the search warrant was executed.
It's a document headed Amendment, Appointment of Acting General Manager, and someone has written, "(Motion 1)". Do you see that?
---Ah hmm.

And then there's typewritten four components to the amendment. Can you see that?---Yeah.

And then can you see that there's handwriting, headed Amendment to Motion 2, and that there's handwriting underneath that?---Yep.

30 Is the handwriting, both at the top and the bottom, your handwriting?---No, it's not.

Whose is it?---I don't recognise. I don't recognise.

How did this document come to be in your residence?---I must have picked it up from someone. I, I can't even remember this document.

Why not?---I just can't remember it, that's why.

40 You don't want to remember it?---No, I can't remember it. If I wanted to remember it, I'll say I remembered it.

Well, do you remember any suggestion that the motions that you and Mr Azzi had given notice of might be amended?---(No Audible Reply)

Any suggestion at all?---It could have been amendment to that, yeah. Could have been. To include - - -

What is it that you can recall?---That we needed to appoint an acting GM. We just can't remove Jim Montague without having someone else to replace him.

Who said that?---I think Mark Adler would have come up with that.

Is this Mark Adler's handwriting?---I, I don't, look, I don't, I don't recognise it.

10 Did you get this document from Mark Adler?---I can't, I can't remember.

Did this document come from Mark Adler?---I don't remember.

Could it have come from Mark Adler?---I don't recall. Unless you recognise - - -

No, that's not the question. My question is, could it have come from Mark Adler?---It, it could, it could.

20 Well, did you have discussions with Mark Adler about appointing Mr Watson - - -?---Yes.

- - - as the acting general manager?---Correct.

And did you have discussions on that subject before the end of the extraordinary general meeting that was held on 27 January?---We, we must have discussed it, yeah, before.

Excuse me, please. Could the witness be shown, please, volume 5, page 2?
30 This is the first page of a document that purports to be the minutes of the extraordinary meeting of Canterbury Council held 27 January, 2015. You see that?---Ah hmm.

And if I can ask that we just flip through the second page of it, and then the third page of it, do you recognise this as being a document that, as you understand it, was created to purport to be the minutes of the whole of what occurred in the council chamber, including the bit where the mayor and the general manager and the officers were present, and the bit afterwards, where they were not present?---Yes.

40

And your signature appears at the top of the signatures on page 4 of volume 5?---Yep.

And if I can direct your attention on page 3, where the cursor is, can you see, "Council Adler moved and Council Nam's moved the following amendment." And you see then that there is a motion which is very similar to, or bears some similarities to the motion that was on the sheet of paper that was found at your residence?---That's correct.

So can we safely conclude that this document that was found at your residence was indeed something that you believe was created by Mark Adler?---Most likely.

Thank you. And I'd just ask you to note on page 4 of these minutes – I'm sorry, my mistake, page 3 of the minutes but page 4 of volume 5. The third last paragraph reads, "Councillor Adler then handed to the deputy mayor a call for another extraordinary meeting to consider a number of motions."
10 You see that?---Ah hmm.

Is it your understanding that the motions that were handed to Councillor Kebbe by Councillor Adler on that occasion were the motions that were subsequently considered at the extraordinary meeting of council held on 13 February?---Most likely, yeah.

Excuse me a moment, please. And so it's right, is it, that – I'm looking at page 3 of volume 5 – you and Councillor Azzi accepted Councillor Adler's amendment to motion 1?---Well, if we had a mover and seconder, we have
20 to accept it as the mover and seconder, yes.

But you could have chosen not to accept it?---We could have, it's up to us.

Yes, and you decided to accept it?---Yes.

Why was that?---Because we need a backup for the GM. We can't leave a hole, it's important.

Thank you. That page also has the paragraph, "That the acting general manager seek legal advice as soon as possible, concerning the validity of the contract of Mr Stavis and act accordingly. That amendment was also
30 accepted by the movers?---Correct.

That was the amendment to motion 2 and was carried.---Correct.

And then on page 4 of volume 5, you moved Councillor Adler seconded that, "Mr Chris Watson be contacted immediately and advised of his appointment as acting general manager."---That's correct.

40 Did you contact Mr Watson?---Well, I might have, I can't recall. I might have. I think, sorry, can I - - -

Yes, please.---Because of the, the controversy that, that day, it's a walkout, and then we received a letter from, from the, from the Office of Local Government complaining about the meeting we continued with. That would have sort of put everything on, on hold until we sorted that out, so I'm not sure whether I did call him or not. I don't - - -

Can I turn to events after that meeting. I've previously asked you about Joe Alha, you knew him?---I was, I, I used to, he used to call me for assistance with his development.

I'm sorry, he used to call you for?---For help, for assistance as far as council, council are concerned.

In relation to his development proposals?---No, he had, no, just in regards to the site he had in, on Canterbury Road in Canterbury.

10

Yes.---He had a lot of issue at the, at the beginning and he was seeking help from, from various councillors.

Was it in relation to a proposal for development, that is to say an application for development or a planning proposal?---No, that was an existing DA he had.

An existing DA.---Yeah. That's why, that's how I met - - -

20

And what was the help from council that he sought?---Well, he had a site on Canterbury Road near the river, Canterbury down the bottom end, and it was an industrial site, an old, old site and he was having a lot of problems with the controls, council had the controls there and the control were really, they were old controls and backwards.

I'm sorry, do you mean the planning controls in the LEP or the DCP?
---The planning controls, yeah, yeah, the planning controls.

30

Or the controls in the development application, sorry, the development consent?---No, in the LEP/DCP.

40

In the LEP, yes?---Because if you would have read the, because I remember this one because he was really complaining and up in the air and he called Daryl Maguire to speak to me as well, that's when I met him, and what happened is, the way the control was interpreted that he had to put in on each level, I can't remember what the LEP allowed, whether five, six levels, I don't recall, but on each level he had to put like a 350 square metre two-bedroom unit under, under the controls interpretation. So that had to be sorted out because it was wrong. And then they were just going from there to another, that's basically what - - -

But what was it that he was asking to be done?---To fix up the controls because they were wrong.

Well, except that council can't make the LEP.---No, the control, the DCP is, is not a legal matter.

Oh, it was the DCP?---I think it's the DCP if I remember.

Right.---The controls of the DCP, it's, it's only a guide, the DCP, so if you can meet the objectives, and I believe what he did, he gave to council a laneway at the back, he gave his land at the back to create a laneway all the way down which, which is great, so, and council gave him something in return, they fixed up the controls and he gave the council the, the land.

And when did this happen?---So they negotiated that.

10 I'm sorry.---I think that was during the, I think it's during Marcelo period, if I remember.

Sorry, if you can just be a little bit more specific. When was this as far as you can recall?---I think that was during the period of Marcelo.

Oh, yes, under Mr Occhiuzzi?---I think so, yeah, that's, I remember.

20 Did it come to council, that is to say did council pass a resolution in respect of it or was it dealt with at officer level?---No, I think it would have been, I don't recall, but it most likely came to council. I don't recall. Unless the DCP was adjusted to fix it up and that came to council, I don't, I don't remember exactly. But there was an issue, he had a, that's how I met him, through that, and he respected me for assisting him in that area.

And was there a section 96 application?---I, I don't, I - - -

- - - to modify his consent?---I, I don't recall. I don't recall.

30 And the problem was solved to his satisfaction?---Oh, he wasn't happy, no, even though he, he, he accept it but he wasn't happy, no.

But he was in a better position than he would have been had he not taken it to council?---Well, he thinks, he thinks, he was, he was a better position, correct, because he could at least do it.

And he did it through you?---Well, I assisted, I assisted him, yes, I did, but I think other councillors did as well, I think the mayor helped him as well.

40 And did you approach Mr Occhiuzzi and ask him to get involved?---I, I think there would have been correspondence, yeah. I, I can't remember exactly what happened, but I would have had correspondence to, in regards to his matter, the same way I, I respond to anyone else who calls me.

Now, what was the relationship as you understood it between Mr Alha and Mr Maguire?---Oh, they were friends.

And who introduced whom to whom?---Daryl called me and asked me to meet up with him.

And that was the first time you met Mr Alha?---Yeah.

And how long had you known Mr Maguire at that stage?---I've known him for a long time.

Can you just give us your best estimate, please?---Well, I, the first time I met him was when I was running for the bi-election for the state seat of Lakemba, I was a candidate for the Liberal Party.

10

What year are you talking about?---Well, the year that Barry O'Farrell got elected. I think it's – because I was just, there, I was, there was a by-election before that when Morris Iemma resigned.

Okay, well, we can all look up our encyclopedias.---I don't remember the exact (not transcribable)

20

Thank you, thank you. As you understand it now, in 2014 and 2015 did Mr Alha know Mr Montague, or vice versa?---I don't know. Unless, unless he called him again regarding the complaint, he, because he called me, he called the mayor. I don't know who else he called. So he made a lot of complaints. So he might have - - -

Mr Alha did?---Yeah. So he might have met Jim Montague then.

The consensus amongst those who instruct me, Your Honour, is that the events of which the witness is speaking are - - -

30

THE COMMISSIONER: 2011?

MR BUCHANAN: - - - likely to have been around 2011.

THE COMMISSIONER: Yes.

MR BUCHANAN: So you would have expected as at early 2015 – January 2015, say – that Mr Alha would have had some contact with Mr Montague previously?---Yes.

40

And at that time, January 2015, what was the relationship between you and Mr Alha?---Oh, he used to call me when, every time he, he, I think he, he wanted some planning proposals in, in Campsie, that he, he bought some site, he, he optioned some sites, from my understanding. And at, that was at the same time we had a, we were doing a masterplan for the Campsie CBD. And at the same time, there was also the RSL Club putting a planning proposal in regards to their site. So, and then also during that period was the State Planning were saying that 100 metres from railways or 400 metres from railways, we should be considering changing the, the height and the

FSRs on, on those areas. So, that was all happening together, and he was also putting that planning proposal forward.

How did the Campsie masterplan project affect Mr Alha?---Well, it had to be completed because anything – what, what, what the council, from memory, what council was doing, saying, “This is the railway, and 400 metres around,” and his site was within that 400 metres.

10 And so, if the masterplan confirmed that approach, would there have been some planning approach taken of the kind of we’ll have a CBD within that radius?---Correct. Yes.

And that would have allowed for buildings of a greater height than the height limits that applied at the time?---Correct.

Now, can I ask you to have a look, please, volume 5, page 2? Oh, that’s not right. Page 9. This is a series of text messages extracted from your phone involving Mr Alha.---Ah hmm.

20 And the first of them, item 1, is on 30 January, at 7.20pm. Mr Alha said, “Would you be willing to leave Jim alone, and he will review Spiro’s employment till his term finishes and get the heat off? If you are willing, we can have a private meeting.”---Yeah, I, I recall now, yeah, yeah.

30 So what happened in relation to Mr Alha’s approach?---He liked Jim Montague, and he was, again, pressuring to support him, because he says, he says, “Jim is a good guy, and can you,” he wanted to sort out, because Jim, Jim was really stressed out at the time. I, I, I did meet him with, with Joe Alha, and Jim was, wasn’t looking good. And, and I thought, look, it’s, and council was in, in turmoil, and I thought it’s important that we sort, we sort it out, we can’t, this couldn’t continue.

The next message, number 2, from Mr Alha at 7.58pm that day reads, “Can we sort it out? Yes or no? Think about it,” and then a smiley face. Do you see that?---(not transcribable) smiley face.

Well, maybe it’s not.

40 THE COMMISSIONER: Kind of on the side.

MR BUCHANAN: Half smiley face.---(not transcribable) I thought it was an angry face.

Well, maybe it is. But in any event, you can see that text.

MR MOSES: It’s a wink, I thought.

THE COMMISSIONER: What is it?

MR MOSES: My younger junior tells me it's a wink.

THE COMMISSIONER: Oh.

THE WITNESS: It's a wink. Oh, that's what it was.

MR MOSES: (not transcribable)

10 THE WITNESS: It's a wink (not transcribable)

MR BUCHANAN: Item number 3. You responded at 8.14pm, "It's not up to me any longer. Many councillors are angry with his actions. We all tried on a number of times. It all failed. We are at the point of no return. The only thing I can suggest, if Jim wants to put what he wants in writing, that way I can take it back to the group for discussion. Let me know. Michael."---Yes.

20 Then there are a series of texts in which Mr Alha tried to speak to you on the phone. Do you see that?---Yeah.

And then he said at item 9, this is the next day, 31 January, 2015, at 12.22am, "There are people that protect their friends. Thanks." You would have read that as Mr Alha saying he's trying to protect Mr Montague.---Yes.

And you responded, "I hope he does not renege again." Do you see that, item 10?---Yeah.

30 And to which Mr Alha responded item 11, "Don't worry." Item 12, you texted, "Everyone is nervous and unsure. Time is running out." And then 13, at 3.09pm that day, "Can we catch up with Pierre soon? He wants to clarify a few things. Michael."---Yeah.

And what I want to suggest to you is that combination of texts on the 30th and the 31st of January sounds as if there was a telephone discussion between you and him after 8.25pm on the 30th of January, and before 12.17am on the 31st, that is to say, between item 7 and item 8.---Ah hmm.

40 And I just invite you to respond to this proposition, that you had provided him with your number and all of a sudden you say, "Done," as if you are agreeing to something that has occurred, but it's not recorded here.---To meet with him.

I'm sorry?---To meet with Jim Montague.

Oh, I see. Right. And so that's what was discussed in the telephone conversation, is that right?---Yes, yes (not transcribable) yeah, I met, I met him, yes.

Was there to be any discussion about the agenda for the meeting?---No, just a general meeting with the, with the general manager and, and Joe was there.

And then on the 31st, at 3.09pm, you said, “Can we catch up with Pierre soon? He wants to clarify a few things,” which tends to suggest that you had reported to Councillor Azzi what was happening between you and Mr Alha in relation to Mr Montague.---I must have.

10

And Pierre had some questions about it.---(not transcribable)

This does tend to confirm, doesn't it, that you were the driving force, along with Pierre Azzi, in the attempt to have Mr Stavis start work as director of planning in exchange for Mr Montague not being terminated as general manager.---That confirms I was the coordinator for council.

Now, did the meeting occur?---Yes.

20

In relation to the texts of 31 January, which we can see here, page 9 of volume 5, when did the meeting occur.---Around that period. I can't remember the date. I can't remember the exact, exact date, but we met with Joe and Jim. I met with them.

And was Pierre there?---No.

And where did the meeting take place?---At Joe Alha's house.

30

And what happened at that meeting?---I saw Jim and he was very nervous, concerned, worried and I really, I felt sorry for him because I've known him, we've always had a mutual, a good working relationship and I really didn't want to go through this, this process with him. I wasn't comfortable, even though I looked like I was pushing him out, in, and gut feeling was saying it's wrong but that's the way it happens and I felt sorry for him and we had a discussion and he, he understood that he made a mistake and he said, “Look, I understand my position and I think, I think you're right about the, the financial implication.” He said, “I made a mistake. I think you're right and we'll put, we will, we will move forward, we will put Stavis on, as, on a trial basis and if he's okay, he's okay, if he's no good, we rid of him.” I said, “Jim, we, we don't want any more than that. It's simple as that.”

40

And what about Mr Montague's job?---Oh, well, we'll just review it as we go along, it's up to him to make a decision when he goes, and he was comfortable with that.

So was the discussion – sorry, At the end of this meeting, was the outcome, as you understood it, that the attempt to terminate Mr Montague forthwith in

his job would stop in exchange for Mr Montague agreeing to put Mr Stavis on for a trial period?---Correct. And it's, because it started off that way and it, it built into other issues with the decision making and everything else and we thought we'll give him the opportunity to fix it up and, and, and give a date of retirement when he goes, without us pressuring him to do it.

10 Well, what it meant was that you achieved the goal that Spiro Stavis would work as director of planning?---I didn't achieve the goal. As, as I said before, it could have been Donald Duck in that position. I would have achieved the goal for Donald Duck or Ms Jones or whoever was in that predicament with a contract, where council was liable to pay them money. Yes, I would have done it for anyone else, not just Mr Stavis.

What happened after that meeting at Joe Alha's house?---I went back and reported it to the councillors and told them what happened with the meeting.

20 How did you do that?---We must have had a, a, a meeting together at somewhere over a coffee or tea or pizza, I can't remember, but we told them this is what's happening and went over what he knew, there was threats, like, everybody was basically relieved because there was threats from the Labor Party, they were going to disendorse him from the union membership. There was a lot of issues and I, I was stuck in the middle of the, those councillors who were members of the Labor Party who were under threat, the council going in turmoil and Jim Montague, so the best thing, the best outcome was fix it all up and move on. It was too much, too much to handle.

30 Excuse me a moment. Not finding what I'm looking for Commissioner, and I note the time.

THE COMMISSIONER: We'll have a five minutes break.

MR BUCHANAN: Thank you.

THE WITNESS: Oh, great. Thanks.

SHORT ADJOURNMENT

[3.09pm]

40 THE COMMISSIONER: Just before Mr Buchanan moves on, could we go back to volume 5, page 9, please. Mr Hawatt, item number 10, this appears to be in response, this is part of your communications with Mr Alha and you say, "I hope he does not renege again." Do you see that?---Yes.

The "he" is Mr Montague?---Correct.

The renegeing, what is that referring to?---Oh, because we've had a lot of discussions during the period when people were calling and asking to meet up with Jim and sort it out and we tried to resolve it and, and, and other people come into it and, and they change his mind or he changes his mind and each time we tried to come to some sort of a compromise he changes his mind. That's what I'm talking about.

10 So does that reflect that you thought that you'd reached agreement with him at one stage?---Well, yeah, because he agreed to it, like, for example at the Bulldogs, my understanding that he was okay with it, like, whatever we discussed, and then he, he, he changed his mind. And then we met with, with Demian and then I don't know what we discussed, but I mean Mr Buchanan thinks Demian's influence (not transcribable) but that didn't work with him either, and again he had his own opinion and, and, and it just didn't work and I was concerned about not going through that again and again, I'm just sick of meeting with people and, and discussing the issues. That's why I say I hope he doesn't renege on it.

20 MR BUCHANAN: Is it possible that when you said to Mr Alha, "I hope he does not renege again," what you're referring to is the proposal that Spiro be put in place as director of planning for a trial period, he, Mr Montague, having previously put Mr Stavis in place as director of planning and then renegeed?---No.

30 Why not?---Because Mr Montague was promised by a lot of people, promised by a lot of people that they had the numbers in order for him to, not to accept anything and to fight, you know, the motion that we moved in. The majority of the councillors were going to support him. So you know, you try to talk to him and other people come back the next day and say, oh, no, don't worry about it, we'll fix it all up, we have the numbers, we've spoken to Kebbe, we've spoken to Adler and they're going to not support the motion. This is one of the reasons that, that was causing problems.

40 Mr Hawatt, none of that answer made any sense, if I can respectfully tell you that, whereas we do know that on any view Mr Montague renegeed on his appointment of Mr Stavis and what was being proposed in this deal being mediated by Mr Alha was that Mr Stavis be put on as director of planning for a trial period.---No, that, that wasn't the case. It's renegeed based on our discussions we had during that period.

Can I take you, please, to Exhibit 233, page 1, item 32. This is 2 February. Bear in mind that the conversations you had had by text message with Mr Alha that we looked at in volume 5, page 9 were on 30 January and 31 January. So I just draw your attention to the fact that on 2 February, 2015, a Monday, you rang Mr Montague's office at 9.50 and the line was open for 31 seconds. Do you see that?---Yeah.

What was it that you were communicating with Mr Montague's office about on that occasion?---I, I don't recall.

You were trying to contact Mr Montague, weren't you?---Correct, yeah, but I don't recall why I called him.

It tends to indicate that from this time on you and Mr Montague were no longer in open hostilities with each other.---Presumably, yeah.

10 Which is consistent with some sort of agreement between you and Mr Alha on 31 January, 2015, Mr Alha speaking on Mr Montague's behalf, and then, as you've told us, a meeting between you and Mr Montague with Mr Alha being present at Mr Alha's house, perhaps on 1 February, 2015.---Maybe, maybe, I can't recall.

Sorry?---I don't recall the date.

20 Well, it's just that that's the only day that's in between. The day that you speak with Mr Alha about some proposed agreement between you and Mr Montague and then your direct contact with his office on the morning of 2 February. So do you see what I mean?---Yeah, you could be right. I mean, I'm not doubting you on this one.

Excuse me a moment. Excuse me a moment. On 3 February, if I could just draw your attention to page 2 of Exhibit 233, items 75 to 79. There's a series of contacts, a series of text messages exchanged between Mr Montague and Mr Stavis. Do you see that?---Sorry, which, which item, sorry?

30 Oh, I'm sorry, 75,76, 77, 78.---Yeah, yep.

Do you see those?---Yeah.

40 They're SMSs being exchanged between Mr Montague and Mr Stavis, and then item 79, at 1.48, just after Mr Stavis texted Mr Montague, indeed within the same minute, Mr Stavis rang Mr Vasil and the line was open for 1 minute and 21 seconds. Does that come to you as any surprise, that is to say, Mr Stavis's contact with Mr Vasil so shortly after he had been speaking with Mr Montague by text?---I'm not sure what their relationship was, I don't know. Surprise yeah, maybe, but I don't know what their relationship
- - -

Well, is that true that you didn't know what their relationship was?---Well, I didn't know, no, no.

You did not know?---No, no. I, all I knew was George did know him but he, and I don't know how he met him, through some architect, that was it, but he hasn't had that relationship as far as I was concerned.

Sorry, what - - -?---If they had that strong relationship together but he only met him through an architect.

Well, leave aside how he met Mr Vasil. What was the nature of the relationship as you understood it in December/January/February, between Spiro Stavis and George Vasil?---Just, from my understanding they probably just know each other. That's as far as I know.

- 10 Was there contact, as you understand it, between Stavis and Vasil in the period during the hostilities with Mr Montague in December/January/February?---Yeah, I can't, I can't recall. It's something that I don't control.

That doesn't mean to say that you weren't aware of it.---I'm not aware of it, no. How, how could I know what George does.

Well, because he was a political comrade of yours, was he not?---He never told me everything.

20

With whom you were in regular contact, and who gave you political advice on local government matters.---He gave me advice, but he does, doesn't interfere in, in what I do and how I think, and he knows that as well. He - - -

Did he play a role in, during the hostilities between you and Mr Azzi on the one hand and Mr Montague on the other hand?---Everybody played some sort of a role.

- 30 What was it, the role that George Vasil played, as you understood it?---I think he was supporting Jim Montague.

Do you think that he might have been supporting anyone else?---For, no.

Could he have been supporting Mr Stavis?---I, I think he had no issues with Mr Stavis.

Could he have been supporting Mr Stavis?---For, as a what, as a person, or as a - - -

40

As you understood it.---As in as a planner? He, he - - -

I'm asking you to answer my question, if you don't mind.---I think he liked him, as a person.

Mr Vasil liked Mr Stavis?---I think so.

Now, excuse me a moment. 13 February was the date for which the extraordinary general meeting was scheduled, which would consider the motions that Councillor Adler had given to Councillor Kebbe at the conclusion of the 27 January, 2015, EGM. Do you recall that?---Sorry, can I look at that?

No, sorry, I'm just telling you something.---Oh, sorry, I (not transcribable)

I'm just asking you to think back now.---Yeah.

10

You remember there was an EGM on 27 January that considered the motions that you and and Councillor Azzi had taken to Mr Robson?
---Mmm.

Remember when we had a look at the purported minutes of that meeting, I drew your attention to an entry at the end, where Councillor Adler handed to Councillor Kebbe a series of motions?---Correct, yes.

20 And you remember that there was an extraordinary general meeting on 13 February, 2015, which considered those motions?---Yes.

And those motions were about the replacement of Mr Montague, weren't they?---Correct.

The details to what needed to be done.---Correct.

Can I just withdraw that? Did you want those motions passed?---Oh, we were told they were invalid.

30 Excuse me. If we could show the witness, please – I'm sorry, I do apologise – volume 5, page 38? This is a message which has been extracted from your phone that was sent to Ms McClymont on 10 February, 2015, so it's before that scheduled extraordinary general meeting to consider motions arising from the termination of, or purported termination of Mr Montague. This is a complaint, is it, about the mayor, that you wanted publicised?
---No, she must have asked me to keep her in the picture of what's going on in council, because she attended, I think she attended that meeting we had, when the unions were there for, from memory.

40 But it was your decision, wasn't it, to send this text to Councillor, I'm sorry, to Ms McClymont?---She must have asked me to, to keep her in the loop.

Why didn't you refuse to do so?---Why didn't refuse? As I said - - -

Why did you supply this text message - - -?---As I said yesterday, dealing with the media and the journalist was a big mistake of mine.

Yes, at the time – I understand that. I appreciate you're entitled to have whatever view you like now about what you've done in the past. But what I'm trying to ascertain is, your purpose in sending this text message to Ms McClymont on 10 February was to put that information out into the public domain, wasn't it?---Just to highlight the actions of the, the mayor.

Because he remained your enemy, did he not?---He still is.

10 And you were hoping to have public opinion swayed in your favour against the mayor?---Well, he had me on his Facebook and - - -

Sir, sir, sir, sir, sir. I'm not after the reasons why. Your motivation in sending this out was to sway public opinion in your favour in your disputes with the mayor?---I just wanted to keep Kate in the picture of what's going on.

20 Exhibit 84, if we could show you that please, item 57 on page 5. Can you see that this is a series of text messages, item 57 to 61, it's at the bottom of that page, on Wednesday 11 February, 2015, to the councillors in the majority of council?---Ah hmm.

You say, "Hi all. I am getting a positive feedback to attend." That would be a reference to the meeting schedule for 13 February?---Yep.

30 "So can we meet after the meeting at George Vasil's office to discuss our strategy for our 2.00pm Friday meeting." I think I might have misled you, Mr Hawatt. When you said, "I am getting a positive feedback to attend," what was that a reference to?---I think the councillors are interested in coming to a meeting. It's just like it's organised.

All right. It's just that, "Our 2.00pm Friday meeting," is a reference to Friday, 13 February, and that's the meeting which was the EGM that was scheduled to consider Councillor Adler's motions.---It could be,

Do you understand?---Yeah.

If I tell you that the Friday was 13 February, this is an attempt really to caucus on tactics for that meeting, isn't it?---Could be.

40 And why was it that you said that the meeting was to be at George Vasil's office?---Oh, look, sometimes I used George Vasil's office because that's his building and, but it's, it's mainly Con. So I, I reference, it's, it's like going to your mother's house but it's also your father's house. It's, it's just a general discussion we have, yeah.

In fact, these meetings were held in George Vasil's office, weren't they?
---They were held in the - - -

The meetings that you held with these councillors during this period were held in George Vasil's office?---Yeah, we used to have a lot of meetings there.

With George Vasil often present?---George, if he sits for five minutes, you'll be lucky. He disappears, he's, he's a wanderer.

10 George Vasil was involved, as you understood it, in the designing of tactics that should be employed in the attempt to have Mr Stavis work as the director of planning, wasn't he?---That's incorrect.

And can I just take you, for confirmation purposes, to volume 5, page 73. Again, this is in the lead up to the EGM fixed for 13 February. Items 8 through to 12 are texts to the A Team as you call them, the councillors, or at least five of them in this case, who made up the majority of council that supported you and Mr Azzi?---Ah hmm.

Is that right?---Yeah.

20 And again, it's working out physical tactics as to where people should be for the 13 February meeting?---Correct.

Now, can I ask you to have a look back again at Exhibit 233, please. Page 7, text message at 2.50 is from you to Mr Azzi, line open on 15 February – this is after the 13 February meeting – on 15 February for 1 minute and 30 seconds; item 257, contact between you and Mr Azzi where the line is open on 16 February for 3 minutes and 4 seconds; item 265, contact between you and Mr Azzi, a relatively shorter one, the line is open for 27 seconds, and then shortly after that the line is open for 2 minutes and 57 seconds, and then still on the 16th the line is open for 16 seconds at 7.38pm on 16 February. This would seem, on a reading of the contacts that are apparent in Exhibit 233, to be an increase in the frequency of contacts you were having with Mr Azzi at this time. Were you having contacts with Mr Azzi in order to work out what was going to happen next after the failure of the motions on 13 February and after you had had this meeting with Mr Montague to arrive at an agreement whereby Mr Stavis would be appointed as director of planning?---That's your assumption but I don't recall that.

40 Can you assist us, though, as to why it might have been that you and Mr Azzi were in increasing contact at around this time?---We've always spoke. It's just not, it's not unusual.

And then on 17 February, pages 7 to 8, we can see that there's a series of contacts between Councillor Azzi and Mr Montague.---Ah hmm.

Looking at for example item 284 and following.---Ah hmm.

And then Mr Montague, item 289, texts you and texts Mr Azzi, Mr Azzi texts Mr Montague back, this is all on 17 February in the evening. You then speak with Mr Azzi. What is it that is happening at this time?---We're building up a relationship with the GM back again.

And you and Mr Azzi were liaising with each other in the process of that occurring. Is that fair to say?---Well, all I can say is if there's communications that means we're back to normal, everything's back to normal. This is how we normally operate as councillors.

10

Could we go, please, to volume 5, page 223. This is a record of text messages between you and Mr Stavis extracted from your phone between November 2014 and December 2014. If you'll just excuse me a moment, please. Can you see that, this is pages 223, 224 and 225.---Ah hmm.

And what it shows is, do you remember I did suggest to you that there was a large number of contacts that you had with Mr Stavis in the period after the interview panel had taken place and before he was offered employment by Mr Montague?---Yep.

20

And these are clear on those pages, going down to and concluding on Christmas Day, 5 December, 2014, this is item 38 on page 225.---Mmm.

What I'd invite you to note is that the next message extracted from your phone involving Mr Stavis, this is item 39, was a message from Mr Stavis to you on 26 March, 2015. Do you see that?---Mmm.

30

So there's a sudden gap. There's intensive contact, if I might so describe it, between you and Mr Stavis between the interview panel and the end, well, close to the end of December 2014 – 24 December, you'll recall, is when you and Mr Azzi, as it were, called on the battle by presenting the call for the EGM to Mayor Robson for the termination of Mr Montague's position and the reconsideration of the position of Mr Stavis – but then there's nothing until 26 March, 2015. Can you assist us as to why that was?---Well, there was the gap because of the issue we had with, with Jim Montague and the turmoil.

40

Certainly.---So then he's, presumably that's when he was appointed to start the job, this is the dates, so he, he's an employee at this time, the gap we're talking about.

Well, he started work on 2 March.---Yeah, so he's an employee then so - - -

On 2 March.---Correct. So there might have been a mountain of, of planning issues that we needed to correspond to him, so back to normal.

But what was done about trying to look after Mr Stavis during the hostilities with the general manager?---He was in the backburner. He had nothing to do with the issue. He was just on the backburner.

Are you sure? What if he had gone off and got a job?---Well, the issue has nothing to do with him anymore, it became an issue with the GM. If he would have got a job, well, he would have got a job, we still had an issue we needed to resolve with the general manager.

- 10 Well, it would have been a problem for you because Mr Stavis then wouldn't have been able to be director of planning.---We'd get another one, we'd get someone else. It's not that difficult.

Are you sure you didn't do anything to ensure that Mr Stavis remained available to be director of planning?---Oh, come on, it's up to him, it's not up to me.

You told us that he was a nervous man.---He is a nervous person. Very nervous and eager.

20

Was there anything to your knowledge that was done to have him monitored or looked after or comforted, kept on side?---No, just he was involved probably watching what's happening in council and the turmoil that's going on.

How did he find out what was going on in council?---Every person knew. This is like nothing unusual. Every person, there's, there's, the distant stranger got involved and knows about it.

- 30 Didn't to your knowledge Mr Stavis have a special dedicated hotline, as it were, to tell him what was going on, namely communication with George Vasil?---That's your assumption but it's not, I don't recall that.

- Well, it's not an assumption, Mr Hawatt, it's an inference that's available from Exhibit 233, the record of call charges incurred in respect of telephones, specifically George Vasil's, yours and Pierre Azzi's and Spiro Stavis's in a particular period, and the period is 1 February, 2015, and it concludes on 28 February, 2015. And what we can see in February 2015, is that there is a large amount of contact. I'll take you perhaps to page 1. A large amount of contact between Spiro Stavis and George Vasil, particularly after you had spoken to George Vasil or he had spoken to you. So just on page 1 at the top there, you can see there's contacts between George Vasil and you on 1 February, around item 7, 8 and 9 and then item 17, 18, and 19, the highlighted cells, Spiro Stavis is in contact with George Vasil for quite lengthy periods of time. And then George Vasil is in contact with Spiro Stavis. Mr Vasil tries to contact you, this is item 21, and then he is in contact again with Mr Stavis, item 22. All the way through these pages, it's very clear that George Vasil was in contact with you and Pierre Azzi and
- 40

that shortly after speaking with one or either of you, Mr Vasil had a conversation with Spiro Stavis. If you could have a look please – sorry, can you see the highlighted sections on page 2, if we could pass to that.
---Yep.

Page 3.---Ah hmm.

10 So can you see, just take for example on page 3, item 91, George Vasil had a 3 minute and 49 second long conversation with you at 1.04 and then another one at 1.55, this is item 92, and then item 93 at 2.02, he rings Spiro Stavis and speaks to him for 3 minutes and 46 seconds. Item 97, same day, you ring George Vasil. Sorry, I apologise, you SMS'd George Vasil, and then 98 and 99, Spiro Stavis contacted George Vasil and had a couple of lengthy conversations with him and it goes on like that. 117, on 5 February, George Vasil talks to you for a minute and 43 seconds and then Spiro Stavis has a conversation with George Vasil. Can you see that?---Yep.

20 The same pattern is replicated on page 4, page 5, we're going from the 6th, 7th, 8th, 9th, 10th, 11th of February. It just goes on like that. What was going on?---Well, you'd have to ask George.

No, no, no. You knew what was going on.---No. I - - -

30 It's inconceivable, Mr Hawatt, that you did not know that a function which George Vasil was performing when you were talking to him during this period of hostilities was to convey or report to Mr Stavis what you told him.---If Mr Vasil wants to talk to Stavis, I have no control over that. He can communicate with him. If, if George wants to talk to me and ask me some questions about things that's happening, it doesn't mean I've got to tell him everything. We have a general discussion so I talk to George, maybe on an average, five/six times a day sometimes.

And obviously during this period, it would have been about the hostilities with Mr Montague?---Because George was getting himself involved and trying to assist Jim Montague like all the others and he's trying to coordinate it and trying to be the hero. I mean, I, I can't control people.

40 You can't say that you're surprised to see that George Vasil was in such regular communication with Spiro Stavis, particularly after speaking with you during this period, can you?---Oh, well, George, once he puts his hooks on to something, he'll continue with it. You can't control him.

Yes. And you, if you knew or understood that a function that Mr Vasil was reporting to Mr Stavis, you understood, didn't you, that Vasil was performing an important function in the exercise of getting Mr Stavis into the position of director of planning?---George can talk to Mr Stavis as much as he likes but George cannot influence me over what decisions I will make.

But was it your understanding that the hope was that he would influence Spiro Stavis to keep him mollified, to make sure that he wasn't too nervous?---That's, that's incorrect.

And particularly make sure he didn't go and get another job?---Oh, that's incorrect. It's, it's up to him to go get a job, not up to us. We can't stop him. If someone offers him a good job, well, he should take it.

10 Did you ever enquire as to whether Mr Stavis was still available to take up the job of director of planning?---As far as I was concerned, he was in the backburner. That was it.

Do you mean to say that you thought at all times he was available to act as director of planning?---I've never thought of it any other ways.

20 And the only way you could have made that assumption is if you had knowledge to the effect that he was available to work as director of planning?---He would have called me if he, he got another job, because he had my phone number.

But we can see that he didn't, but instead he was in very regular contact with George Vasil, who was in very regular contact with you during this period.---That's their, that's their business, but as far as I'm concerned, my decision would not be based on whatever George tells me. I make my own decisions, and I think George knows that as well. They can talk to me, they can try to influence me, not going to work.

30 I'm really putting something a bit different here. What I'm trying to put to you is that you understood that George Vasil was a person who was involved in the attempt to have Mr Stavis appointed and work as director of planning, and you worked out tactics with George Vasil, and you understood that a role that Vasil played was keeping Stavis available. ---That's incorrect.

And as little nervous as possible.---That's your assumption. That's incorrect.

Is it wrong?---It's wrong.

40 Excuse me a moment, please. Now, you had a meeting at the Bulldogs Club with Mr Montague in February, 2015. I think you might have already referred to it?---Yep.

That was part of the reconciliation process, is that right?---Probably, yes, yes.

With Mr Azzi?---Yes.

Can I ask you to think about that meeting, please? What happened at the meeting?---Oh, look, from, from what I remember, it was a, a mutual respectful discussions we've had. Jim was, he put his point of view across, and he told us about what he wanted to do, his retirement and his long service and his time to get his 35 years up or whatever it was. And he left in a mutual and respectful way. We never had any tension when he left. Just afterwards he seemed to have changed, flipped.

10 I'm sorry, after that meeting he appeared to change?---Yeah, when he left, and then the, as you can see, he, he reneged, that's what I'm talking about, reneged, changed his mind - - -

Oh, I think we might be across purposes.

THE COMMISSIONER: This is February, isn't it?

MR BUCHANAN: Yes. I'm sorry, I asked you about a meeting in February at the Bulldogs Club, with Jim Montague - - -

20 THE COMMISSIONER: 15 February?

MR BUCHANAN: Look, I'll take you, sorry, I skipped over some introductory emails that might assist you.---Mmm.

And maybe I should go to them. Exhibit, I'm sorry - - -

THE COMMISSIONER: Sorry, can I stop, are you getting tired?---Yeah, I'm very tired, very tired.

30 MR BUCHANAN: Matter for the Commission.

THE COMMISSIONER: Mr Drewett, I am just – I'm sorry, Mr Buchanan. I'm just a bit concerned that Mr Hawatt is looking tired, and it has been a long day.

MR DREWETT: Yes, Commissioner, I can say that we had noticed that a little while ago, but (not transcribable)

40 THE COMMISSIONER: Can I ask Mr Hawatt, we can take another five-minute break, would that help? Do you think that would revitalise you?
---Oh, I'd, I need, I need a half an hour at least.

Sorry?---I need about half an hour. My throat is sore. My, my, my body's weak.

Look, I think in the circumstances, I'm going to adjourn for today. But we'll be recommencing 9.30 on Monday morning. Before we do, any other matters of administration?

MR BUCHANAN: Not of which I'm advised.

THE COMMISSIONER: All right. We'll adjourn until 9.30 on Monday.

THE WITNESS STOOD DOWN **[4.00pm]**

10 **AT 4.00PM THE MATTER WAS ADJOURNED ACCORDINGLY**
[4.00pm]