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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE PETER M. HALL QC
CHIEF COMMISSIONER

PUBLIC HEARING

OPERATION AERO

Reference: Operation E18/0093

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON MONDAY 26 AUGUST, 2019

AT 10.00AM

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: The public inquiry which proceeds today and over the next few weeks is part of an investigation by the Commission into conduct under New South Wales electoral law, in particular under the Election Funding, Expenditure and Disclosure Act of 1981, following upon a referral to this Commission by the Electoral Commission. The public inquiry is being conducted for the purposes of an investigation on an allegation or complaint as to the following nature. Whether from January 2015 officials of the NSW Branch of the Australian Labor Party, members of Chinese Friends of Labor, political donors and others have entered into or carried out a scheme to circumvent prohibitions or requirements under part 6 of the Election Funding, Expenditure and Disclosures Act 1981 relating to political donations. The opening address of Counsel Assisting the Commission will provide further information concerning the matters under investigation.

The general scope and purpose of the public inquiry accordingly is to gather evidence relevant to the allegation being investigated for the purposes of an investigation under section 13A of the Independent Commission Against Corruption Act 1988.

Following the opening address of Counsel Assisting, Mr Scott Robertson of counsel, I will take applications for leave to appear and to represent parties before this Commission. Mr Robertson.

MR ROBERTSON: May it please the Commission, I appear as Counsel Assisting.

THE COMMISSIONER: Thank you, Mr Robertson.

MR ROBERTSON: Chief Commissioner, as you have just outlined, this is a public inquiry conducted for the purposes of an investigation by this Commission into whether from January 2015 officials of the Australian Labor Party NSW Branch, or I'll describe as NSW Labor, members of Chinese Friends of Labor, political donors and others have entered into or carried out a scheme to circumvent prohibitions or requirements under part 6 of the Election Funding, Expenditure and Disclosures Act 1981 relating to political donations.

The origins of this Commission's investigation lie in a separate investigation undertaken by the NSW Electoral Commission. During the course of a compliance audit the Electoral Commission observed that NSW Labor and Country Labor, which is recognised as a separate party for the purposes of New South Wales law, disclosed that they received a total of \$138,930 in revenue from an event described as Chinese Friends of Labor NSW Labor Chinese Launch that was held at The Eight restaurant in Haymarket on 12 March, 2015, about two weeks prior to the New South Wales state election that was held in that year.

Chinese Friends of Labor is described as a Labor Action Committee and it falls within the auspices of NSW Labor although its members need not necessarily be members of NSW Labor. In 2015 at the time of the dinner, the patron of Chinese Friends of Labor was Mr Ernest Wong, then a member of the Legislative Council, and its convenor was Jonathan Yee, the General Manager of the Emperor's Garden Restaurant in Chinatown. Financial records provided by NSW Labor and Country Labor revealed that \$100,000 of the amount that was recorded as being received in connection with the event on 12 March, 2015, was recorded as having been received in cash. A review of NSW Labor and Country Labor disclosures for the year ended 30 June, 2015 indicates that \$100,000 was disclosed to have been received from 12 donors, most of whom were said to have donated \$5,000 in cash to NSW Labor, and a further \$5,000 in cash to Country Labor. At the relevant time \$5,700 was the applicable cap on donations to a political party under New South Wales electoral law.

Further investigations by the Electoral Commission revealed that the majority of the putative donors, that is the majority of the 12 donors I've just identified a moment ago, were persons associated with Jonathan Yee, who as I indicated a moment ago was the General Manager of Emperor's Garden Restaurant in Chinatown. Five of the putative donors were employees or former employees of Emperor's Garden: Johnnie Lin, Lei Mo, Wei Shi, Patricia Siu, and Teresa Tam. A further two were family members of Mr Yee – his mother, May Ho Ye, and his brother, Valentine Yee – one was Emperor's Garden Pty Ltd and one was Jonathan Yee himself.

Those associations, along with the implausibility that restaurant workers would have the financial capacity to make lump sum donations of \$5,000 or \$10,000, as well as other factors, led the Electoral Commission to suspect that the \$100,000 in cash was donated on behalf of a person or persons other than those who appeared on the NSW Labor and Country Labor disclosures.

Also of concern to the Electoral Commission was the fact that two donations were disclosed as having been made by persons associated with Wu International Investments Pty Ltd, namely Mr Quanbao Liao, who is also known as Leo Liao, and Mr Steve Tong. Wu International is a property development company based in Chatswood and property developers are prohibited donors under New South Wales electoral law and they were so prohibited at the time of the supposed donations in 2015.

The Electoral Commission conducted a number of interviews as part of its investigation, and during an interview with Kenrick Cheah, the Community Relations Director of NSW Labor, Mr Cheah stated that Mr Huang Xiangmo attended New South Wales head office a few weeks after the Chinese Friends of Labor dinner in 2015 and gave the then NSW Labor General Secretary Jamie Clements \$100,000 in cash. Mr Cheah stated that after his meeting with Mr Huang, Mr Clements handed the \$100,000 in cash to Mr Cheah.

At that time, Mr Huang, who is also known as Changran, was a director and chairman of Yuhu Group (Australia) Pty Ltd, a property development company. As a close associate of Yuhu Group, Mr Huang was a prohibited donor under the Electoral Funding, Expenditure and Disclosures Act 1981, and therefore was prohibited from making political donations for the benefit of state political parties in New South Wales.

10 Mr Huang is, however, known to have been a significant donor both of the Australia Labor Party and to the Liberal Party of Australia, at least on the federal level, and sat at the head table of the Chinese Friends of Labor function on 12 March, 2015, along with then federal leader of the Australian Labor Party, Bill Shorten and then state leader Luke Foley, but I should make clear that there is no suggestion on the available material before the Commission that either Mr Shorten or Mr Foley had any involvement in the conduct that was investigated by the Electoral Commission.

20 At its meeting on 13 December, 2017, the Electoral Commission decided to refer to this Commission, the conduct that it had investigated because it considered that there were reasonable grounds to suspect that the conduct that it investigated may involve a criminal offence under the Electoral Funding, Expenditure and Disclosures Act. Amongst the Electoral Commission's reasons for making a referral to this Commission was its view that additional evidence to that obtained by the Electoral Commission may be able to be obtained using the investigative powers that are available to this Commission.

30 Until it was replaced by the Electoral Funding Act 2018, with effect from 1 July, 2018, the Electoral Funding, Expenditure and Disclosures Act, which I will call the EFED Act, regulated the making and disclosing of political donations and electoral expenditure in New South Wales. According to section 4A of the EFED Act its objects included (A) to establish a fair and transparent election funding expenditure and disclosure scheme; (B) to facilitate public awareness of political donations; and (C) to help prevent corruption and undue influence in the government of this state.

40 The EFED Act, as it was enforced in 2015, limited the classes of persons from whom political donations may be made and accepted and placed caps on the amount of donations that could be lawfully accepted. Relevantly for present purposes, the EFED Act made it unlawful for a donation to a political party to be accepted unless the donor had what the Act described as a legitimate link with Australia, such as enrolment on an electoral roll or an Australian residential address.

According to the EFED Act, the objects of that prohibition included to remove a perception that certain foreign donors could exert influence over the Australian political process by requiring a donor to have a legitimate link with Australia, either through residence of the donor or its officer or

being registered in Australia. The EFED Act also prohibited the making or acceptance of donations by or on behalf of a class of persons described as “prohibited donors”, and prohibited donors for that purpose includes property developers.

10 As for persons who are entitled to make political donations under the EFED Act, that Act placed a cap on political donations to registered political parties of \$5,000 per year, and prohibited the acceptance of donations that exceeded that cap, but those figures and those caps are adjusted annually for inflation.

It was an offence punishable by imprisonment for two years and/or 400 penalty units for a political party to accept a political donation from a person who it knew did not have a legitimate link with Australia or who, or where they knew that a person was a prohibited donor, or knew that a political donation exceeding the applicable cap was being made.

20 Similarly, it was an offence punishable by imprisonment for two years and/or 400 penalty units for a prohibited donor to make a political donation or for a person to make a political donation on behalf of a prohibited donor where, at the time that the donation was made, the person making the donation was aware of the facts that resulted in the donation being unlawful.

30 The EFED Act also contained provisions requiring the disclosure of political donations by political parties and also by persons who, during a disclosure period, had made a reportable political donation or, or exceeding \$1,000. In general terms, the Act required political parties to make annual, audited disclosures to the Electoral Commission setting out, amongst other things, the name and address of each person who made a donation to that party of or exceeding \$1,000 in a disclosure period as well as the amount of the donation that was made. Similarly, a person who, during a relevant disclosure period, made a political donation exceeding \$1,000 was required to lodge his, her, or its disclosure with the Electoral Commission.

40 It was an offence under the EFED Act to make a statement in a disclosure that was knowingly false or to give knowingly false or misleading information in answer to a requirement to give information that was imposed by the Electoral Commission. The penalty making a false or misleading statement in a disclosure is imprisonment for up to two years and/or a fine of up to 400 penalty units.

Also relevant to the present investigation and that of the Electoral Commission is the fact that the EFED Act also contained a general prohibition against entering into, carrying out a scheme, whether alone or with others, for the purpose of circumventing the part of the EFED Act which dealt with political donations and electoral expenditure. Contravention of that prohibition is a serious indictable offence punishable by imprisonment for 10 years.

Under section 13A of the Independent Commission Against Corruption Act 1988, this Commission has the function of investigating conduct that may involve possible offences under NSW electoral law that the Electoral Commission refers to this Commission for investigation.

In pursuance of that function, this Commission commenced a preliminary investigation after it had received a referral from the Electoral Commission, and on 7 June, 2018, decided to conduct a full investigation.

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Since that time, the Commission has gathered a wide range of evidence which will be presented, tested, and expanded upon in this public inquiry. Such evidence has been gathered both through the voluntary assistance of a range of individuals as well as through the use of this Commission's compulsory powers. The powers so exercised have included the conduct of compulsory examinations under section 30 of the ICAC Act, and the issue of notices to produce under section 22 of the ICAC Act.

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The Commission also executed a search warrant at the offices of NSW Labor on Sussex Street on 18 December, 2018. That search warrant was issued by an authorised officer under the Law Enforcement (Powers and Responsibilities) Act 2002 on the application of an officer of this Commission.

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During the course of this public inquiry, I will tender some of the material that has been gathered during the course of the Commission's investigation to date, as well as some material that had been gathered by the Electoral Commission. I will also call a number of witnesses to give oral evidence in relation to the investigation, including members and officers of NSW Labor and Chinese Friends of Labor, and nine of the 10 individuals who were disclosed by NSW Labor and Country Labor as being donors of the \$100,000 in cash.

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The tenth individual however, Mr Leo Liao, is not available to give evidence to this public inquiry. Mr Liao was a Deputy General Manager of Wu International and signed a reservation form which was dated 20 February, 2015, that stated that he wished to purchase a \$5,000 VVIP table at the Chinese Friends of Labor event on 12 March, 2015. VVIP seems to be an intended reference to very, very important person.

Mr Liao was due to give evidence to this Commission in a compulsory examination on 25 June, 2018, but tragically it's understood that Mr Liao took his own life on the weekend prior to that scheduled appearance. There is some evidence suggesting that Mr Liao's decision to take his own life was connected with the conduct that this Commission and the Electoral Commission has been investigating.

On the night of Mr Liao's death, Mr Kenny Zhan, a colleague of Mr Liao at Wu International, found a handwritten suicide note that was addressed to Mr Liao's wife and appeared to be in Mr Liao's handwriting. A part of that note reads as follows, in English translation. "When you receive this letter I will have left you. Please forgive me for not saying a proper goodbye. The last few days you kept asking me what had been happening with me preoccupied with worry, but I was unable to tell you because in the morning of 15 June two detectives came at our door. They told me not to discuss it with any family member. In reality I would also have chosen not to tell you either to prevent you from having to worry about it."

I interpolate to observe that the summons for Mr Liao to appear at a compulsory examination before the Commission was served by two Commission officers on 15 June, 2018.

A latter part of Mr Liao's note to his wife said the following, "I have decided to leave this word which is also my hardest attempt to prevent you and our daughter from becoming family members of a criminal. This is because I am still innocent at the time I wrote this letter."

Another suicide note, this time addressed to both Mr Liao's wife and his daughter and dated 24 June, 2018, was located at Mr Liao's home. That note included the following text, in English translation. "The real situation was that I was involved in a political donation using my own money on this donation which did not directly show on my bankcard and credit card statement. In addition is this matter took place around March 2015, it was a while back, and I was unable to clearly explain it. This was where the problem lies. This led me to remember past events where my father was being interrogated in China. Eventually he ended in gaol. It was petrifying. You know that all my life I've been eager to excel, preserve my reputation, or maybe it was because of integrity that I chose to take my own life."

This public inquiry will investigate the circumstances in which Mr Liao came to be involved in, as he put it, a political donation, including whether he had any role in devising or implementing any scheme to circumvent the requirements of New South Wales electoral law.

Part of that investigation will include a consideration of whether Mr Liao was in fact a donor to Country Labor, as both Mr Liao and the Country Labor Party asserted in their disclosures to the NSW Electoral Commission.

The other key witness who at this stage will not be giving evidence before this inquiry is Mr Huang Xiangmo. To the Commission's knowledge, Mr Huang has not been in Australia since late 2018 and his visa was cancelled on 5 December, 2018. Mr Huang has been invited to participate in an interview with the Commission by video link if necessary but he's declined that invitation to his solicitor, Mr Tim Unsworth of Unsworth Legal. Later

this morning I will tender Mr Unsworth's correspondence with the Commission in relation to this issue.

Notwithstanding Mr Huang's decision to decline to participate in an interview with the Commission, his alleged conduct will remain a key part of this public inquiry. It's a matter for him as to whether he wishes to leave the evidence of him delivering \$100,000 in cash to NSW Labor head office unexplained by him and the invitation by the Commission for him to give an interview remains and stands.

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Another aspect of the evidence that will be presented in this public inquiry that warrants immediate comment is that of Ms Kaila Murnain. Ms Murnain is presently the General Secretary of NSW Labor and Country Labor, and she was one of the assistant secretaries at the time of the Chinese Friends of Labor dinner in 2015.

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Ms Murnain has given evidence to the Commission in a compulsory examination to the effect that Ernest Wong told her that a person had not, in fact, donated the funds that they said that they had donated to the Labor Party in 2015. Ms Murnain said that Mr Wong told her that Mr Huang Xiangmo was the true source of the funds said to have been donated by that other person.

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Of course, Ms Murnain's statement as to what Mr Wong is said to have told her is not of itself conclusive proof that there were one or more straw donors, or pretend donors, associated with the Chinese Friends of Labor function in 2015 or, for that matter, that there was a scheme to conceal the fact that Mr Huang was the true source of funds in NSW Labor and Country Labor bank accounts. I anticipate, though, that other evidence bearing on this issue will be presented during the course of the public inquiry.

As should be apparent from what I've said, a number of key questions arise from the Commission's investigations to date and which are to be pursued further in this public inquiry. Those questions include:

Was Huang Xiangmo the true source of the \$100,000 in cash that was banked by NSW Labor and Country Labor in connection with the Chinese Friends of Labor dinner in 2015?

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Were steps taken to conceal the true source of the money that was said to have been received in connection with the Chinese Friends of Labor event in 2015? If so, who took those steps? When did they take those steps? Who, if anyone, enticed, direct, or encouraged others to take those steps? What were the reasons for taking those steps?;

Did anyone enter into or carry out a scheme for the purpose of circumventing the prohibitions under the EFED Act relating to prohibited donors or relating to caps on political donations? If so, who were the

participants in those, in that scheme? What were their respective roles?
How was that scheme carried out?;

At least in the case of Mr Ernest Wong, who was a member of the Legislative Council and therefore a public officer during the key period of relevance to this public inquiry, the question may arise as to whether there is any evidence that he engaged in corrupt conduct within the meaning of the Independent Commission Against Corruption Act?

10 Of course, the Commission is an investigative body. It's not a court. Consistent with that, the Commission will not be making any findings of criminal guilt. It will, however, make findings and reach conclusions in relation to the conduct referred to it, and give consideration as to whether any advice should be sought from the Director of Public Prosecutions with respect to the prosecution of any person for a specified criminal offence.

In making those findings, reaching those conclusions and giving consideration as to whether advice should be sought from the Director of Public Prosecutions, it will of course be necessary for the Commission to
20 make assessments as to the credibility of what has been said to the Commission to date and what might further be said in this public inquiry.

That being said, a further question that may arise for consideration is whether any person has made false or misleading statements to the Commission either during the course of the public inquiry or in the course of investigations by the Commission to date. It's a serious indictable offence, punishable by imprisonment for five years and/or 200 penalty units to knowingly give false or misleading evidence at a compulsory
30 examination or public inquiry and further offences under the ICAC Act apply to other forms of false and misleading statements being made to the Commission.

In addition to making findings and reaching conclusions regarding what in fact occurred in relation to the conduct referred to this Commission for investigation. The Commission will also consider whether it should recommend changes to the terms of administration of electoral donation and disclosure laws in New South Wales in light of the conduct that has been referred to it. The details of any recommendations of the Commission is contemplating making will be dealt with in written submissions that will be
40 circulated after the conclusion of this public inquiry.

Chief Commissioner, section 4A of the EFED Act provided that one of the objects of that Act was to establish a fair and transparent disclosure scheme. This public inquiry will investigate whether that disclosure scheme was undermined by conduct associated with the Chinese Friends of Labor event in 2015 and whether recommendations should be made to secure the integrity of the disclosure scheme for political donations in the future. May it please the Commission.

THE COMMISSIONER: Thank you Mr Robertson. Before I take applications for leave to appear and deal with other procedural matters, I'll adjourn for a short time so that the cameras can be removed from the hearing room and then I'll resume and deal with those matters. I anticipate that'll only be five or 10 minutes. I'll adjourn.

SHORT ADJOURNMENT

[10.40am]

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THE COMMISSIONER: Yes. Now, applications.

MR DIXON: Yes. I appear for Mr Kenrick Cheah I understand pursuant to a grant of leave of the Commissioner.

THE COMMISSIONER: Yes, thank you. Yes, I grant leave for Mr Cheah to appear and for you to represent him. Yes.

20 MR NEIL: Ms Kaila Murnain seeks authority to appear.

THE COMMISSIONER: Yes, Mr Neil.

MR NEIL: And if so authorised she also seeks authority to be represented by me and my learned friend, Mr Rayment, instructed by Sparke Helmore.

THE COMMISSIONER: Yes, thank you, Mr Neil. I grant leave for Ms Murnain to appear and for you and Mr Rayment to represent her.

30 MR NEIL: If the Commissioner pleases.

THE COMMISSIONER: Yes.

MR LAWRENCE: Chief Commissioner, my name is Lawrence and I seek authority to appear on behalf of Jamie Clements, pursuant to a grant I understand.

THE COMMISSIONER: Yes, thank you, Mr – I grant leave to appear and for you to represent him.

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MR LAWRENCE: Thank you, Chief Commissioner.

THE COMMISSIONER: Yes, Mr Hale.

MR HALE: Yes. I seek leave to – I think leave has already been granted to appear for Mr Ernest Wong with my instructing solicitors, Madison Marcus.

THE COMMISSIONER: Yes, I confirm that I grant leave for Mr Wong to appear and for you to appear on his behalf.

MR RAMRAKHA: Commissioner, Ramrakha. I seek leave to appear for Mr Lei Mo - - -

THE COMMISSIONER: Yes, Mr Ramrakha.

10 MR RAMRAKHA: - - - and to represent him at the inquiry.

THE COMMISSIONER: Mr Robertson, it's appropriate to grant leave?

MR ROBERTSON: Yes. There may be questions as to the extent of the interest for any cross-examination but I don't oppose the grant of leave.

THE COMMISSIONER: Yes, thank you. Mr Ramrakha, I grant leave for your client to appear and you to represent him.

20 MR RAMRAKHA: Thank you.

MR NASH: Chief Commissioner, Nash. I appear for Ms, or seek leave to appear for Ms Julie Sibraa.

THE COMMISSIONER: Sorry?

MR NASH: Julie Sibraa.

30 THE COMMISSIONER: Yes, yes, I grant leave for Ms Sibraa to appear and to you to represent her. Yes, thank you, Mr Nash.

MR UNSWORTH: Chief Commissioner, Unsworth. I seek leave to appear for Mr Huang.

THE COMMISSIONER: Yes, Mr Unsworth, I grant leave for Mr Huang to appear and to you to represent him. Yes, very well.

MR CHAN: Mr Chan. I seek leave to appear for May Ho Yee, instructed by Liam James of Finn Roache Lawyers.

40 THE COMMISSIONER: Yes, I grant leave to appear and to be represented as you seek.

MR GREEN: Green, I seek leave to appear for Valentine Yee.

THE COMMISSIONER: Yes, Mr Green, I grant leave to Valentine Yee to appear and to you to represent him.

MR GREEN: Thank you.

THE COMMISSIONER: Thank you.

MS CHEESEMAN: Chief Commissioner, I seek leave to appear for Ian Robertson with my learned friend, Phillip Sharp, instructed by Horton Rhodes.

10 THE COMMISSIONER: Yes, Ms Cheeseman, I grant leave as sought and for you to represent Mr Robertson, yes, with you, sorry, with Mr Sharp. Thank you.

MS CHEESEMAN: Thank you, Chief Commissioner.

THE COMMISSIONER: Yes. Anything else?

MR MOSES: Chief Commissioner - - -

THE COMMISSIONER: Yes, Mr Moses.

20 MR MOSES: - - - I seek leave to appear with Ms Alderson of counsel instructed by Johnson Winter & Slattery for the Australian Labor Party NSW Branch and the Country Labor Party.

THE COMMISSIONER: Yes, I grant leave, Mr Moses, as sought to appear and for representation on behalf of the NSW ALP and NSW Country Labor. Thank you.

30 MR MOSES: Thank you, Chief Commissioner. If there are no other appearances I just wanted to put a short statement on the record on behalf the parties for whom I appear. It won't be traversing the evidence.

THE COMMISSIONER: Mr Moses, could I just interrupt you for a moment. I'll make sure there's no other applications.

MR MOSES: Of course.

THE COMMISSIONER: Are there any other applications to appear? Very well. Yes, Mr Moses.

40 MR MOSES: Yes, thank you, Chief Commissioner.

THE COMMISSIONER: Mr Moses, does this go to a matter of substance, in which case why are we dealing with it now?

MR MOSES: It goes to an issue that in relation to the opening, Chief Commissioner, there was a reference, there has been general references to the Australian Labor Party NSW Branch and the Country Labor Party, and as the party is an unincorporated association with a membership base of

over 22,000 financial members and is currently a parliamentary party that constitutes the opposition in the NSW Parliament, I'm instructed to put on the record a number of issues in relation to the position of the party in relation to the matters that are the subject of the inquiry. I think as you alluded to, Chief Commissioner, when you put a submission in to the NSW Parliament in relation to possible amendment to the Act that sometimes it is appropriate for an early opportunity to be given to a party in order to ensure that there are no unfair assertions made in terms of generality in respect of a category. And what we're dealing with here, of course, is an opening which referred to the Australian Labor Party NSW Branch and the Country Labor Party and a number of allegations were made which will be the subject of scrutiny, no doubt, in these proceedings. But there were three matters that I wanted to make very clear from the outset in relation to the position of the Australian Labor Party and the Country Labor Party in respect of these issues concerning breaches of the Act, because in no way can it be suggested that they were actions condoned by the party or done on behalf of the party.

THE COMMISSIONER: Mr Moses, I hesitate to interrupt you. I think you've referred to comments I've made elsewhere, in terms of an early opportunity to state a position.

MR MOSES: That's correct.

THE COMMISSIONER: That's in the context where an individual witness has been the subject of express allegations or evidence that fairness sometimes, in my view, would dictate that the person who is the subject of such allegations or evidence should be given an early opportunity at least to state their position on record, simply because often it's some time down the track before the witness has the opportunity to rebut or give evidence about the allegations or evidence, and if there's to be immediate coverage of such allegations or evidence, fairness sometimes dictates an early opportunity to be able to put on the record the position of that witness. But that's different from a general position of statement as to the substance of the inquiry. I suggest what you do is if you could just reduce to writing and in short form what it is that you wish to raise, provide it to Counsel Assisting, I'll consider whether or not it is appropriate for your clients to state a general position. I think it's jumping the gun, if I can put it that way, at the moment.

MR MOSES: In relation to the observation you have made, Chief Commissioner, we'll certainly do that.

THE COMMISSIONER: Yes.

MR MOSES: In the context in which I raised it, your submission actually was in the context of openings by Counsel Assisting.

THE COMMISSIONER: All right. Could I suggest you do that during the course of the day and I'll return to the issue as soon as practical?

MR MOSES: Yes, we'll be seeking to raise it again, Chief Commissioner, before the end of the day.

THE COMMISSIONER: All right, thank you, Mr Moses.

MR MOSES: Thank you.

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THE COMMISSIONER: Now, I have some procedural matters that I wish to turn to. There will no live streaming of the proceedings of the Commission in this public inquiry. Standard directions of the Commission in relation to public inquiries are on the Commission's website. Those appearing will need to be mindful of these directions in the interests of the orderly and efficient conduct of the proceedings. Standard directions for public inquiries apply unless otherwise directed. Attention is drawn in particular in relation to paragraphs 12 and 13 of the directions as to the circumstances in which cross-examination will be permitted, and the bases
20 for leave to cross-examine.

From today, there is an estimated duration for this public inquiry of six weeks. That may or may not prove to be accurate. I anticipate that the duration would be for at least four weeks, but quite possibly six weeks. The standard sitting hours of the Commission will be from 10.00am to 4.00pm, with breaks for morning tea often taken about 11.30am, and for lunch between 1.00 and 2.00pm. Mr Robertson, I think I'll turn to you to, if you would, outline the proposed program of evidence for this week.

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MR ROBERTSON: For your assistance, Chief Commissioner, and for that of those behind me, can I outline in general terms the proposed program of evidence for this week, after we deal with some procedural matters, I propose to call Mr Cheah, the Community Relations Director of NSW Labor. I anticipate that my examination of him won't finish today, but will spill over to tomorrow morning. After that, if any party wishes to apply to cross-examine Mr Cheah, that will be a convenient time to deal with that matter tomorrow. I apprehend that subject to the extent of questions of that nature, we may well finish early on Tuesday. On Wednesday, I will call Mr Steve Tong to conduct part of his examination. I deliberately underline the
40 word "part", and I'll recall him probably next week for the purposes of adding to the examination that I intend to conduct on Wednesday morning. Immediately after Mr Tong I'll call Ms Kaila Murnain, which I expect to be on Wednesday afternoon, again to examine her, and I intend to call her again during the course of next week to make her available for cross-examination by anyone who makes that application.

After Ms Murnain, I intend to call Mr Sam Dastyari. Mr Dastyari doesn't appear on the present version of the witness list that's been uploaded, but an

amended one will be uploaded shortly. I apprehend that that will happen some time during the course of Thursday, and then after that I'll call Mr Wong and I apprehend that there won't be sufficient time this week to call any further witnesses after Mr Wong, but if that indication or my impressions of that change during the course of the week, I'll let you know, Chief Commissioner, and I'll let those behind me know as well.

10 Can I next deal with a proposed direction that, in my submission, you should make under section 112 of the Independent Commission Against Corruption Act to deal with personal information. In my submission you should make a direction to the following effect, that pursuant to section 112 of the Independent Commission Against Corruption Act, the Commission directs that email addresses, residential addresses, telephone numbers and bank account numbers shall not be published other than by Commission officers for statutory purposes or by any witnesses or legal representatives who have authorisation to appear, provided that such publication is made for the purposes of attending as a witness in the public inquiry or acting as a legal representative for a person interested in this public inquiry.

20 THE COMMISSIONER: Yes, Mr Robertson. I think that's appropriate. I'll deal with that matter now. Provisions of section 112 of the Independent Commission Against Corruption Act 1988 provide for restrictions on the publication of evidence. I propose to make a direction under that section in relation to the matters that Counsel Assisting has identified. Pursuant to section 112 of the Independent Commission Against Corruption Act 1988, the Commission directs that email addressed, residential addresses, telephone numbers and bank account numbers shall not be published other than by Commission officers for statutory purposes or by any witnesses or legal representatives who have authorisation to appear, provided that such
30 publication is made for purposes of attending as a witness in this public inquiry or acting as a legal representative for a person interested in this public inquiry.

**PURSUANT TO SECTION 112 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT 1988, THE COMMISSION DIRECTS THAT EMAIL ADDRESSED, RESIDENTIAL ADDRESSES, TELEPHONE NUMBERS AND BANK ACCOUNT NUMBERS SHALL NOT BE PUBLISHED OTHER
40 THAN BY COMMISSION OFFICERS FOR STATUTORY PURPOSES OR BY ANY WITNESSES OR LEGAL REPRESENTATIVES WHO HAVE AUTHORISATION TO APPEAR, PROVIDED THAT SUCH PUBLICATION IS MADE FOR PURPOSES OF ATTENDING AS A WITNESS IN THIS PUBLIC INQUIRY OR ACTING AS A LEGAL REPRESENTATIVE FOR A PERSON INTERESTED IN THIS PUBLIC INQUIRY.**

THE COMMISSIONER: Yes, Mr Robertson.

MR ROBERTSON: Can I then deal with some formal tenders, and I'll deal with this in a series of items so that one can follow the exhibit numbers. Before I deal with the formal tenders, can I hand to you, Chief Commissioner a document that will shortly be circulated to those behind me, which is a schedule of the documents that I am about to tender.

THE COMMISSIONER: Thank you.

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MR ROBERTSON: And I respectfully suggest that you mark that for identification.

THE COMMISSIONER: Yes. Yes, the document entitled Operation Aero Schedule, Tender of Electronic Brief Items for the First Part of the Public Inquiry will be marked for identification as MFI 9.

20 **#MFI-09 – SCHEDULE FOR THE ELECTRONIC TENDER OF BRIEF ITEMS**

MR ROBERTSON: For the assistance of those behind me, can I indicate that in light of the way that the Commission organises its documents, there will be some somewhat strange numbering. The first exhibit in this public inquiry will in fact be Exhibit 149. There's then a separate series of documents described as the Public Inquiry Brief that have a series of volume numbers, but there are a number of volume numbers that won't exist in the public inquiry. For example, I don't apprehend that there will be a volume 8, so no one should be surprised if they're missing particular volume numbers. That qualification in mind, can I provide to the Commission a USB stick with a series of documents, which I'll then tender in parts. And while that's happening I'll ask my instructing solicitor to circulate MFI 9 so that those behind me can follow along.

30

First I tender as a single exhibit a letter from a chairperson of the NSW Electoral Commission to you, Chief Commissioner, dated the 15th of January, as well as the materials provided with that letter. For the assistance of those behind me, that material is organised into three separate electronic bundles as follows. First a 28-page bundle that contains Mr Mason's letter, a statement of reasons and investigation summary memorandum, and then two further bundles of supporting materials marked volume 1 and volume 1A. I tender that as a single bundle.

40

THE COMMISSIONER: Yes. The referral letter from the NSW Electoral Commission and the material referred to will be admitted as one exhibit and become Exhibit 149.

#EXH-149 – NSWEC REFERRAL LETTER AND MATERIAL REFERRED TO THE COMMISSION (VOL 1 AND VOL 1A)

10 MR ROBERTSON: May it please the Commission. And I next tender the Disclosures of Political Donations and Electoral Expenditure for the year ended 30 June, 2015, submitted by NSW Labor and Country Labor, which are also marked as volume 4, page 1 through to 178 of the public inquiry brief.

THE COMMISSIONER: The NSW Electoral Commission disclosures by NSW Labor and Country Labor be together admitted as one exhibit, Exhibit 150.

#EXH-150 – NSWEC DISCLOSURES BY NSW LABOR AND COUNTRY LABOR (VOL 4, 1-178)

20

MR ROBERTSON: Next I tender a series of reports produced from the MYOB file of NSW Labor for the year ended 30 June, 2015, also marked as pages 310 to 338 of volume 4 of the public inquiry brief.

THE COMMISSIONER: Yes. The NSW Labor MYOB reports for the year ending 30 June, 2015 be admitted and become Exhibit 151.

30 **#EXH-151 – NSW LABOR MYOB REPORTS FOR YEAR ENDED 30 JUNE 2015 (VOL 4, 310-338)**

MR ROBERTSON: Next I tender a bundle of invoices extracted from NSW Labor files produced in or obtained by way of execution of the search warrant identified before, also marked as pages 1 through to 49 of volume 5 of the public inquiry brief.

40 THE COMMISSIONER: The invoice and reservation forms from NSW Labor files will become Exhibit 152.

#EXH 152 – INVOICES AND RESERVATION FORMS FROM NSW LABOR FILES (VOL 5, 1-49)

MR ROBERTSON: Next I tender a bundle of documents containing interview transcripts and described otherwise as volume 9B of the public inquiry brief.

THE COMMISSIONER: The interview transcripts to identified will become Exhibit 153.

#EXH 153 – INTERVIEW TRANSCRIPTS (CHAN, HAMILTON, LAM, MCDOUGALL) (VOL 9B)

10 MR ROBERTSON: Next I tender a bundle containing the following statements, first a statement of Mr Baragry, dated 20 September, 2018, which appears at pages 1 through to 98 of volume 9C of the public inquiry brief, also containing a statement of a Ms Catterall, dated 25 June, 2019, at pages 179 to 181 of the same brief folder, the statement of Mr Vickery, dated 5 August, 2019, pages 182 to 189 of that brief, statement of Mr McTaggart, dated 4 November, 2018, pages 195 to 243, the statement of Mr Ofner, dated 15 July, 2019, page 291 to 308.

20 THE COMMISSIONER: The five statements identified will become one exhibit, Exhibit 154.

#EXH 154 – STATEMENTS FROM VOL 9C:

(A) PETER BARAGRY DATED 20 SEPTEMBER 2018 (PP 1-98)

(B) MONICA CATTERALL DATED 25 JUNE 2019 (PP 179-181)

(C) PHIL VICKERY DATED 5 AUGUST 2019 (PP 182-189)

(D) GUY MCTAGGART DATED 4 NOVEMBER 2018 (PP 195-243)

(E) DOMINIC OFNER DATED 15 JULY 2019 (PP 291-308)

30 MR ROBERTSON: And I tender a folder of statements or a bundle of statements marked volume 9D of the public inquiry brief.

THE COMMISSIONER: Those statements will become Exhibit 155.

#EXH 155 – FURTHER STATEMENTS (KANDRIS, LEE) (VOL 9D)

40 MR ROBERTSON: For the benefit of those behind me, each of the sets of materials that I've just tendered are materials that have been available to those with access to the restricted website, the material I'm about to tender is not presently on the restricted website but will be publicly available with in short order of my formal tender. With that in mind I first tender a copy of the 2015 NSW Labor Rules as amended by the 2014 NSW Labor Annual Conference.

THE COMMISSIONER: That will become, the 2015 NSW Labor Rules, Exhibit 156.

#EXH-156 – 2015 NSW LABOR RULES (VOL 7, 31-126)

MR ROBERTSON: Then I tender a bundle of Australian Securities and Investment Commission searches and other documents marked as pages 127
10 to 165 of volume 7 of the public inquiry brief.

THE COMMISSIONER: Those documents will become Exhibit 157.

#EXH-157 – BUNDLE OF ASIC SEARCHES AND SIMILAR DOCUMENTS (VOL 7, 127-165)

MR ROBERTSON: And finally as I foreshadowed in my opening, a bundle
20 of correspondence between officers of the Commission and representatives of Mr Huang Xiangmo.

THE COMMISSIONER: The correspondence so identified becomes 158.

#EXH-159 – BUNDLE OF CORRESPONDENCE BETWEEN OFFICERS OF THE COMMISSION AND REPRESENTATIVES OF HUANG XIANGMO
30

MR ROBERTSON: That completes my formal tenders for the time being.

THE COMMISSIONER: Yes, thank you, yes.

MR ROBERTSON: If it's convenient, I'll now call Mr Cheah.

40 THE COMMISSIONER: Yes, thank you.

MR ROBERTSON: I call Kenrick Cheah.

THE COMMISSIONER: Mr Cheah, thank you. Mr Cheah, do you take an oath or an affirmation?

MR CHEAH: (No Audible Reply)

THE COMMISSIONER: To give evidence do you take an oath or an affirmation?

MR CHEAH: Affirmation.

THE COMMISSIONER: Sorry?

MR CHEAH: Affirmation.

10 THE COMMISSIONER: Thank you. Thank you. My associate will administer that.

THE COMMISSIONER: Thank you, Mr Cheah. Take a seat. Do you mind stating your full name, please.---Kenrick Cheah.

Thank you. And your occupation?---Community Relations Director for NSW Labor.

10 Just pardon me a moment. Mr Dixon, is there any application that you have to make?

MR DIXON: No, Chief Commissioner.

THE COMMISSIONER: Yes.

MR ROBERTSON: Mr Moses looks like he wants to make an application or tell his friend to make one.

20 MR DIXON: I beg your pardon, Chief Commissioner. I make the application in respect of the usual protection that a witness should be afforded, and I believe I refer to section 38 of the Act in that respect.

THE COMMISSIONER: Does your client have an understanding of those provisions?

MR DIXON: Not in those terms. I believe he was - - -

30 THE COMMISSIONER: I'll deal with it in this way. Mr Cheah, as I understand it the application is that you be given the protection of section 38. Are you aware of the provisions?---Could you elaborate?

Sorry, can't hear you.---Not really. Could you elaborate.

40 All right. Section 38 provides an effect that it's open to a witness to object to answering questions or producing documents or things. The object of any objection taken is to ensure that you give evidence but that the evidence can't be used against you in the future in any proceedings, be they criminal in nature, civil, administrative, disciplinary. However, there is an exception, and that is that the protection doesn't protect your evidence from being used against you in the prosecution for any offence under the Independent Commission Against Corruption Act, including, for example, giving false or misleading evidence, for which the penalty can be a term of imprisonment up to five years. Do you understand that you are under an obligation to give truthful evidence? You have to answer so it's recorded.---Yes.

Thank you. So that you are not exempt or protected against proceedings for an offence under the ICAC Act, but otherwise the evidence you give cannot be used in proceedings such as I've described. Do you understand?---Yes.

I may want to make a declaration that all answers given by you, or things or documents produced to be taken to be on objection. It saves you having to object to each individual question or every document or thing produced. Do you understand?---Yes.

10 And it is your wish, is it, for me to make a declaration under that provision?
---Yes.

Very well. Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness, Mr Cheah, all documents and things produced by him during the course of his evidence at this public inquiry are to be regarded as having been given or produced on objection. There is accordingly no need for Mr Cheah to make objection in respect of any particular answer given or document or thing produced.

20

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

THE COMMISSIONER: Yes, Mr Robertson.

MR ROBERTSON: Mr Cheah, you explained in response to one of the Chief Commissioner's questions that you're the Community Relations Director at NSW Labor, correct?---Yes.

40 And you've had that role since 2013, correct?---Yes.

Is that presently a full-time or part-time role?---Part-time.

Has it always been a part-time role?---It was full-time for a few years. Then it became a part-time role.

When you say a few years, was it full-time in 2015 and 2016 or was it part-time?---I believe it was a full-time role until the election in, or thereabouts, just afterwards in 2015, from memory.

So to be clear about that, when you were first employed as community relations director, it was on a full-time basis, correct?---I think so.

And as best you recall, continued to be full-time until a relatively short period of time after the election in 2015, is that right?---Yeah, to the best of my memory, yeah.

10 And when you say the election, you mean the state election that took place in March of 2015?---Correct.

Your predecessor in that role was Mr Ernest Wong, correct?---There's no direct predecessor, but I understand he's held that position before.

When you say there was no direct predecessor, do you mean that immediately before you were employed, there was no-one in the role of community relations director, is that what you mean?---Yes.

20 But at some prior time, Mr Ernest Wong held that role, is that right?---I think so.

You know Mr Wong well, I take it?---Do I know him well?

Yes.---Yes.

And you know that Mr Wong was a member of the Legislative Council for some time, correct?---Yes.

30 Do you play any role within Country Labor, as distinct from NSW Labor?
---I think my fundraising role is to raise money for both NSW Labor and Country Labor.

Have you prepared a statement dated 26 August, 2019?---Yes.

Could we just have that on the screen, please? Just have a look at the screen in front of you, Mr Cheah. Does that appear to be the first page of your statement of 26 August, 2019?---Yes.

40 So I take it this is the statement that you signed this morning?---Yes.

And you instructed Mr Dixon to give me a copy of that statement this morning?---Yes.

Do you confirm that everything in this statement is true and correct?---Yep. To the best of my knowledge and ability, yep.

Chief Commissioner, I tender the witness statement of Kenrick Cheah dated 26 August, 2019, as provided to me this morning.

THE COMMISSIONER: Yes, very well. The statement of Mr Cheah dated today, 26 August, 2019, will be admitted and it will become exhibit 159. 160, is it? 160.

#EXH – 160 WITNESS STATEMENT KENRICK CHEAH DATED 26 AUGUST 2019

10

MR ROBERTSON: For the benefit of those behind me, that statement – which I only received this morning – is in the process of being uploaded and it will be available through the Commission’s website within reasonably short order.

THE COMMISSIONER: Just before you proceed, I think Mr Dixon wants to say something.

MR ROBERTSON: Yes, Mr Dixon.

20

MR DIXON: Yes, I have an application, Chief Commissioner, in respect of paragraph 37 of the witness statement, and what is page 8. Unfortunately the two attachments are not numbered, but the first attachment is on page 8. I make an application under section 112 of the Act that paragraph 37 and the first attachment on page 8 be subject to an order, that the contents of those matters not be published.

THE COMMISSIONER: All right. Well, I don’t have a copy of the statement, so, and it’s now - - -

30

MR ROBERTSON: Sorry, Chief Commissioner, I’ll hand a copy so that you have a hard copy as well as the electronic copy.

THE COMMISSIONER: Yes, thank you.

MR ROBERTSON: You’ll see, Chief Commissioner, that 37 and 38 refer to medical information of Mr Cheah.

THE COMMISSIONER: Yes.

40

MR ROBERTSON: I don’t oppose an order being made that prohibits publication beyond those who have leave to appear or are otherwise interested in the enquiry. But in my submission, it should be limited in that fashion, so at least those who are either witnesses or are representing witnesses can have access to the whole of the document that you can see on the screen too, Commissioner.

THE COMMISSIONER: Mr Dixon, what - - -

MR DIXON: I'm content with that.

THE COMMISSIONER: Are you content with that?

MR DIXON: Yes.

10 THE COMMISSIONER: In respect of the statement of Mr Cheah, 26
August, 2019, paragraphs 37 and 38, I make a direction under section 112 of
the Independent Commission Against Corruption Act restricting the
publication of information with respect to those paragraphs of the statement.
Accordingly, the paragraphs, or the nature of the paragraphs, are not to be
communicated to anyone, except to those who have been granted leave to
appear in this public enquiry, and those legal representatives acting for such
persons, for the purposes of the public enquiry.

MR MOSES: Chief Commissioner (not transcribable) if there are members
of the public in court, and this is up on the screen, so they can see it. So it
creates problems. And the other thing is it's got the address of this
20 individual on it. This Commission has never allowed the address of
individual witnesses to be publicly displayed. So we just need to be careful
about this, as to how this is being done.

THE COMMISSIONER: The direction that I give is that paragraphs 37 and
38 will not be published or communicated, either in terms or in substance, to
anyone except to those who have been granted leave to appear, or to their
legal representatives, for the purposes only of this public inquiry, and except
by Commission officers for statutory purposes or pursuant to further order
of the Commission.

30

**SUPPRESSION ORDER: IN RESPECT OF THE STATEMENT OF
MR CHEAH, 26 AUGUST, 2019, PARAGRAPHS 37 AND 38, I MAKE
A DIRECTION UNDER SECTION 112 OF THE INDEPENDENT
COMMISSION AGAINST CORRUPTION ACT RESTRICTING THE
PUBLICATION OF INFORMATION WITH RESPECT TO THOSE
PARAGRAPHS OF THE STATEMENT. ACCORDINGLY, THE
PARAGRAPHS, OR THE NATURE OF THE PARAGRAPHS, ARE
NOT TO BE COMMUNICATED TO ANYONE, EXCEPT TO THOSE
40 WHO HAVE BEEN GRANTED LEAVE TO APPEAR IN THIS
PUBLIC ENQUIRY, AND THOSE LEGAL REPRESENTATIVES
ACTING FOR SUCH PERSONS FOR THE PURPOSES OF THE
PUBLIC ENQUIRY, AND EXCEPT BY COMMISSION OFFICERS
FOR STATUTORY PURPOSES OR PURSUANT TO FURTHER
ORDER OF THE COMMISSION.**

THE COMMISSIONER: Now, Mr Dixon, there's something in the attachments, is it? Page 8, you say - - -

MR DIXON: Yes, that's correct.

THE COMMISSIONER: - - - of the first attachment, is it?

MR DIXON: Yes, it's a - - -

10 THE COMMISSIONER: I see. It's just that page?

MR DIXON: It is.

THE COMMISSIONER: Yes, very well. The order which I have made under section 112 in respect of paragraphs 37 and 38 of Mr Cheah's statement of the 26th of August, 2019 also applies to an attachment to his statement, being the first attachment, undated.

20 **VARIATION OF SUPPRESSION ORDER: THE ORDER WHICH I HAVE MADE UNDER SECTION 112 IN RESPECT OF PARAGRAPHS 37 AND 38 OF MR CHEAH'S STATEMENT OF THE 26TH OF AUGUST, 2019 ALSO APPLIES TO AN ATTACHMENT TO HIS STATEMENT, BEING THE FIRST ATTACHMENT, UNDATED.**

30 THE COMMISSIONER: Mr Dixon, I think the attachments should be given page numbers so that the order can specifically refer to a page number. There's only two attachments, is there? Pages - - -

MR DIXON: That's correct.

THE COMMISSIONER: Well, I'll just call them attachment 1 and attachment 2. The order I've just made applies to attachment 1. That satisfactory, Mr Dixon?

40 MR DIXON: Yes, it is. Thank you, Chief Commissioner. And I understand apropos what Mr Moses just put that the reference to Mr Cheah's address on the first page would have been covered by your order made at the outset.

THE COMMISSIONER: Yes, that is so.

MR DIXON: Yes.

THE COMMISSIONER: Yes, that is so, Mr Dixon. Yes?

MR LAWRENCE: Chief Commissioner, as Counsel Assisting indicated, that statement is yet to be served. It's conceivable that I may on behalf of Mr Clements have something to say about whether it will be received into evidence. I probably won't but I may, so I'd seek to reserve my position in respect of that.

THE COMMISSIONER: Yes, all right. Well, it has been admitted but I'll make it provisional upon and subject to any application you care to make.

10 MR LAWRENCE: Certainly. Thank you, Commissioner.

THE COMMISSIONER: But that application should be made in the near future.

MR LAWRENCE: Indeed.

THE COMMISSIONER: By that I mean 4 o'clock today. If you've simply been unable to get instructions by then, then I'll entertain extending it.

20 MR LAWRENCE: Certainly. Thank you, Commissioner.

THE COMMISSIONER: Yes.

MR ROBERTSON: Mr Cheah, is it right that one of the roles that you've had as community relations director involves coordination of Labor Action Committees?---Yes.

30 And can you just explain in general terms what a Labor Action Committee actually is?---A Labor Action Committee is I guess an affiliated party unit that conducts activities in respect of a certain thing. So Chinese Friends of Labor, Arabic Friends of Labor, but not just restricted to ethnic groups. There's issue-based ones such as Labor Environment Action Network, (not transcribable) education one, Labor for Drug Reform.

40 Can we have Exhibit 156 on the screen, please, and go to rule I.29(a), which is on page 43. Mr Cheah, I've just put on the screen an excerpt from the 2015 rules of NSW Labor, and can I just ask you to read to yourself I.29(a) that describes certain objectives of Labor Action Committees. Do you see that there?---Yep.

Is that a fair statement of at least some of the objectives of Labor Action Committees as you understand them as Community Relations Director of NSW Labor?---Yes.

And it's fair to say, isn't it, that one would add an additional one, namely fundraising for the benefit of at least NSW Labor, is that fair?---You could, you could include fundraising in to grow the party, but I guess if you want to be specific to that, then you could.

But you'd at least accept, wouldn't you, that a substantial function of Labor Action Committees is to seek to raise money for the benefit of NSW Labor at least?---When you say substantial, I mean, those, just as important as the other points there, so - - -

Well, let's do it in stages, then. At least one of the objectives of Labor Action Committees is to fundraise for the benefit of the political parties, correct?---Sure.

10

And that's not a mere incidental or irrelevant function. It's an important function of Labor Action Committees, is that fair?---Well, some of them, some of them don't, don't raise or aren't successful in raising anything, so it's not like they all have this, have it as such an important part of their aims and objectives, I guess.

Well, let's focus on Chinese Friends for Labor. That's one of the Labor Action Committees, correct, Chinese Friends of Labor?---Yes.

20

And a substantial function of Chinese Friends of Labor is to raise money for the political parties, correct?---Like I said, it's one of the, yeah, one of the aims and objectives is to fundraise for the party.

And it's a significant function in the sense that people involved in Chinese Friends of Labor spend a substantial amount of their time attempting to fundraise for the political parties, correct?---Rephrase the question again, sorry. Repeat the question.

30

Members of Chinese Friends of Labor, in their capacity as members of Chinese Friends of Labor, spend a substantial amount of their time seeking to raise money for the political parties, correct.

MR MOSES: I object. My learned friend can ask the witness what he does, but my friend is asking a general question about the members of Chinese Labor spending a substantial - - -

MR ROBERTSON: I withdraw the question. I'll rephrase it.

40

MR MOSES: Thank you.

MR ROBERTSON: You're the Community Relations Director of NSW Labor, correct?---Yes.

As part of that function you coordinate Labor Action Committees, correct? ---Yes.

You have an intimate knowledge of how Labor Action Committees work, correct?---From that head office sense, yeah.

And based on that knowledge, you would accept, wouldn't you, that a significant function of Chinese Friends of Labor is to seek donations for political parties?---Like I said, it's one of the functions. If you look at how many functions we have per year, one function or two functions per year I don't think really adds up to a significant amount of time being spent on, on fundraising.

10 So at least one of the functions of Chinese Friends of Labor is usually to organise a fundraising event at least once a year, is that right?---Yes.

Now, in terms of your role as community relations director, is it fair to say that at least part of that role involves acting as a conduit between NSW Labor head office and the Labor Action Committees themselves?---Yes.

And is part of the role to ensure that donations that may have been obtained by the Labor Action Committee are appropriately recorded and receipted?
---Not, not receipted. That's not my job. So, so, no to that question.

20 So at least in relation to recording, are you accepting that part of your role is to seek to ensure that donations that have been acquired through the activities of Labor Action Committees are appropriately recorded.---The recording process is done by the Finance Department, not me.

But you act as a conduit, don't you, in speaking to the - - -?---Yes.

- - - financial individuals to make sure that things are at least appropriately recorded?---Financial individuals being the donors?

30 The Financial Department within the Labor Party, to start with.---So I am the conduit - - -

I'll rephrase the question.---Okay.

Part of your role as community relations director is to liaise with the persons responsible for finance within head office to ensure that moneys that have been donated in connection with Labor Action Committee's events have been received by and recorded by the Finance Department.---Yes.

40 And I think from what you were saying before, you of course don't physically get out an MYOB file and enter in the records yourself.
---Correct.

But you might act as a conduit as between the Labor Action Committees and the Finance Department of NSW Labor with a view to ensuring that donations have been recorded and, where appropriate, receipted. Is that right?---Yep.

And so in that capacity, you must work fairly closely with the finance staff, mustn't you, to ensure that donations that have been received in connection with Labor Action Committees have been appropriately dealt with from the finance perspective, is that fair?---To an extent, I guess.

It's right, isn't it, that to be a member of a Labor Action Committee, it's not necessary to be a financial member of NSW Labor, is that correct?---That is correct.

- 10 But I take it that at least some member of Labor Action Committees will be financial members of NSW Labor?---Yes.

In your experience, do Labor Action Committees tend to have a constitution or other governing document or is it more informal than that?---Some Labor Action Committees have their own constitutions, others just follow the party rules.

- 20 What about Chinese Friends of Labor? To your knowledge does that have a constitution separate from the laws of NSW Labor?---To my knowledge, it doesn't.

So you've never seen a constitution or similar governing document with respect to that entity?---No, I haven't seen a constitution for Chinese Friends of Labor.

In respect of Chinese Friends of Labor, is it right to say that that organisation has been in existence at least from the start of your employment by NSW Labor as community relations director?---I believe so.

- 30 Were you involved in that Labor Action Committee before you were employed by NSW Labor?---Not really.

When you say, "Not really," what do you mean by that?---Can you be more specific with the question, maybe I can give you a specific answer, sorry?

Well, prior to you being employed by NSW Labor in 2013, what involvement did you have with Chinese Friends of Labor, if any?---I would have attended their events as a paying ticket customer.

- 40 Were you a member of a committee of Chinese Friends of Labor or any similar body?---Before 2013?

Before 2013.---I don't think so. I'm not on the committee.

Did you regard yourself as a member of Chinese Friends of Labor before 2013?---I would, broadly speaking, say yes because I'm a Chinese person who, a Chinese Australian person who is a member of NSW Labor. So broadly speaking, yes.

And broadly speaking, I take it, you would have regarded yourself as continuing to be a member of Chinese Friends of Labor once you became employed as community relations director in 2013?---Sure.

And I take it that's the same position now, you'd regard yourself as a member of Chinese Friends of Labor?---Sure, yes.

10 But is it fair to say that since being employed in 2013, your principal role has been as a conduit, in the way that I have sought to summarise, rather than as a member of a committee on a day-to-day basis, is that fair?---To a particular committee?

Rather than to the Chinese Friends of Labor committee?---Yes. So my, my, my, my job is as a conduit for all the Labor Action Committees.

But to be clear about that, you don't regard yourself as being a member of a committee or board of Chinese Friends of Labor?---No.

20 And you've never regarded yourself as playing a role of that kind?---No. That's not to say that I don't have a close friendship and relationship with people in Chinese Friends of Labor though.

And not just a friendship but as part of your role, you've obviously worked closely with Chinese Friends of Labor in acting as a conduit in the way that I have sought to summarise, is that fair?---In all the Labor Action Committees.

30 With all the Labor Action Committees including Chinese Friends of Labor, correct?---Yes.

Now, in 2015, am I right in understanding that the chairman of Chinese Friends of Labor was Mr Jonathan Yee?---I believe maybe president, but yeah.

At least the most senior, what I might describe as, executive function was Mr Jonathan Yee, is that right?---I guess, yeah.

40 But you're saying he may be known as a president rather than as chairman, is that right?---Well, yeah.

And you know Jonathan Yee well, I take it?---Yes, I do.

And you worked with him closely when he was president or other senior officer of Chinese Friends of Labor, is that right?---Not specifically on Chinese Friends of Labor events.

So just to be clear why you are qualifying that, are you saying that you have worked with him closely in his capacity as a Chinese Friends of Labor president but not closely in relation to events, is that what you're saying?

---No, no, no. What I am saying is, I have worked with him closely on various things but not specifically on Chinese Friends of Labor events, for example, when he ran for council.

10 So is it your evidence that you have not ever been closely involved in organising a Chinese Friends of Labor event, is that what I understand you to be saying?---I have had involvement in terms of a coordination involvement but the nuts and bolts of each specific fundraising event.

Well, I just want to try and understand that.---Yeah.

What do you mean by saying you haven't had a nuts and bolts involvement in organising Chinese Friends of Labor events?---So nuts and bolts in terms of things like the run sheet, the choosing of the menu, things like that.

20 Well, if we focus on the event of 12 March, 2015, you were responsible for booking the venue, weren't you?---Usually the Labor Party has lots of events at The Eight, so depending on what the event is, I do sometimes book the venue but on this occasion I don't think I was the one booking the venue, but I could be mistaken, it's four years ago.

Just to be clear about that, you're saying that you don't recall whether you booked the venue in March of 2015 – I withdraw that. You don't recall whether you were the one who booked the venue for the Chinese Friends of Labor dinner on 12 March, 2015.---Right.

30 But you may well - - -?---But I may, I may well have been, but I can't recall 100 per cent.

What about organising the flyers for the event?---Yes, organising the flyers.

You did that for the 2015 event?---Yes.

40 What about organising the then state parliamentary leader, Mr Foley, to attend. Did you do that?---I honestly cannot remember. It could have been me that made the call to their office to ask him to attend, it could have been someone who knows him verbally asking him when they see him.

So you're not saying you didn't do it, you just don't recall one way or the other. Is that fair?---That's correct.

What about taking the lead in securing the attendance of Mr Shorten, the then federal leader?---Same answer, but more than likely I would have sent an email to Bill Shorten's office asking for him to attend.

So that's something that you may have been involved in. Is that right?
---More likely, but like I said, I can't remember point blank.

Is it fair to say that for the event in 2015 you would have had quite close contact with Mr Ernest Wong?---Yes.

And Mr Ernest Wong at that time was the patron of Chinese Friends of Labor. Is that right?---Yes.

10 And in fact sometimes that group is known as the Ernest, or was known as the Ernest Wong group. Is that right?---To whom?

Well, it was at least referred to from time to time as the Ernest Wong group. Is that fair?---Not really.

At very least Mr Wong was a driving force to your understanding behind that group. Is that right?---Yes.

20 As well as having contact with Mr Wong you had close contact with Jonathan Yee in relation to the Chinese Friends of Labor dinner in 2015. Is that right?---I can't remember any specific conversations about it, but probably. As far as going as, hey, how's it going, everything looking good, things like that nature.

You coordinated the processing and receipting of payments in relation to that event?---Sorry, again, please?

30 Part of your role in connection with the Chinese Friends of Labor dinner in March of 2015 was that you coordinated processing and receipting of payments in relation to that event?---If you, if you define coordinating as receiving the appropriate forms and money, giving it to the Finance Department for them to receipt and process, then yes.

So to be clear about that, in relation to processing and receipting of payments you acted as a conduit in the way that I've sought to explain - - -?
---As I - - -

40 - - - spoken to people on the Chinese Friends of Labor side and on the Finance Department side, but you're making clear that obviously enough you weren't physically issuing receipts or typing things into - - -?---As you earlier have said.

You would also field inquiries from the Finance Department as to how payment should be processed, and in particular whether they should be processed and banked into the NSW Labor bank account as distinct from the Country Labor bank account. Do you agree with that?---Generally what it says on the flyer would be where the money gets banked to.

Well, I want to suggest to you that you've gone further than that. Where there's been an inquiry by the Finance Department as to whether particular money associated with the Chinese Friends of Labor event should be banked in the NSW Labor bank account or the Country Labor bank account, you answered those queries - - -?---Yeah.

- - - on at least one occasion.---Yeah.

10 Can you just explain to us how would you answer those inquiries? In other words, how would you know that a particular table or a particular donation in connection with the Chinese Friends of Labor event in 2015, the money for that should be banked in the NSW Labor bank account or the Country Labor bank account?---Generally speaking, for our whole event, it would either be going to Country Labor or NSW Labor. Generally speaking.

20 What about the particular event we're talking about here, the Chinese Friends of Labor dinner on 12 March, 2015?---On this occasion, if you're alluding to donations being made to both Country Labor and NSW Labor, if one person has reached the maximum cap on one, but still wanted to donate to the other, Country Labor, then they'll use the same form, oh sorry, the same prototypical form. Does that answer your question?

Well, what I'm trying to understand is, when would you say, in connection with the Chinese Friends of Labor dinner on 12 March, that money should go into the Country Labor bank account, as distinct from the NSW Labor bank account?---When, what, sorry?

30 I think you accepted from me before that from time to time, people within the finance department of NSW Labor would ask you as to whether particular moneys associated with the Chinese Friends of Labor event in March of 2015 - - -?---Yep, yeah.

- - - should be banked in the NSW Labor bank account or the Country Labor bank account. Have I got that right?---Yep.

40 In what circumstances would you answer that question by saying that some or all of a particular amount of money, for a table or by way of a donation, should be banked in the Country Labor bank account as distinct from the NSW Labor bank account?---I would only probably say that if they had maxed out their contribution to either one or the opposite.

Can I try and deal with this a little bit more tangibly, can we go, please, to volume 5 of the public inquiry brief, and can we go to page 24 of that? This forms part of Exhibit 152 that I tendered this morning. Mr Cheah, I'm going to put up one of the invitations/reservation forms that was put up on the screen during the course of my opening.---Yep.

And you'll see here, this is one named in the name of Mr Liao. Do you see that there?---Yep.

And if we just turn back to the previous page, please, Operator, you'll see that associated with this form is an invoice that was issued by Country Labor, if you have a look at that on the top left-hand corner, do you see it's Country Labor there?---Yep.

10 And if we just scroll down the screen a little bit further, we see account details to ALP NSW Country Labor state campaign, do you see that there? ---Yep.

Now, that's consistent with the fact, isn't it, that as you understand it, there is a NSW Labor bank account, and there's a separate Country Labor bank account, correct?---Yes.

20 And one of the things that one needs to do when money is being received by the Australian Labor Party using that in its broad sense, is whether it should be banked in NSW Labor bank account, Country Labor bank account, or perhaps in the federal account, correct?---Okay, yep.

Well, you're agreeing with what I'm putting to you?---Yes, yes, yep.

30 And if we can go back to the next page, we see here Mr Liao's form. How do we know on the face of this form whether the \$5,000 that's being referred to should be banked in the NSW Labor bank account, or the Country Labor bank account?---So actually this form has a typo on it. So it says, "Encloses my cheque for, payable to Prospect." That's actually a version control problem. So that would generally say, that line there would generally tell you, make cheque payable to NSW Labor or NSW Country Labor, and that would be the indicator.

But that segment is then crossed out, so it doesn't seem that the signatory of this document is trying to say anything about the Prospect campaign account, and I'm just trying to understand in the face of that, how do we know whether this amount is supposed to go into NSW Labor, Country Labor, or somewhere else?---The, oh, the problem I have, I can't remember which account it was meant to go to, except for the receipt that you showed.

40 THE COMMISSIONER: Does it appear to you that this form had been used for some other campaign at an earlier period of time and somebody's put the line through it so they could, as it were, reuse the form for the Chinese Friends of Labor - -?---Possibly that section or probably that section from maybe where it says "payment" down to the bottom is pro forma. So it's very likely that, yeah, it would have been maybe copy and pasted from a previous event, probably from the Prospect campaign, to save time, which is why that was an error.

You'll see it was signed by Mr Liao, it says on 20 February, 2015.---Yep.

Had you met Mr Liao?---No.

Do you know who he was?---No, I do not.

Do you know now who he was?---I can, from the opening statement of the thing I can, I can guess, but I have no knowledge of that happening or of Mr Liao, to be honest. To my knowledge, anyway.

10

MR ROBERTSON: Do we take it from that, that prior to the opening you didn't know who Mr Liao might be? Is that what we take that to mean?
---Till this morning when you mentioned it. To my knowledge, anyway.

Can I assist you this way by noting that the disclosure from Country Labor suggested that Mr Liao had made a donation of \$5,000 in connection with the Chinese Friends of Labor event.---Okay.

20

And NSW Labor's disclosures don't identify Mr Liao as a donor at all in relation to that event.---Okay.

Having given you that assistance, can you recall whether you said to the finance people within NSW Labor that this particular amount - \$5,000 for Mr Liao - should be banked or recorded in Country Labor's bank account as distinct from NSW Labor's bank account?---No.

30

So to be clear about that, are you saying that in relation to the Chinese Friends of Labor event in 2015, you didn't give any direction or advice to the Finance Department of NSW Labor as to how Mr Liao's money and how Mr Liao's form should be processed as either NSW Labor or Country Labor?---In terms of Mr Liao's form itself, I don't think so, no.

THE COMMISSIONER: Logically in this case, he not having indicated what his intention was, the easiest way to clear it up would have been someone from your office to have rung him and said, "What was your intention?"---Possibly.

40

Well, that would be a certain, easy way of finding out, wouldn't it?---I guess you could put it that way.

Do you know if anybody rang Mr Liao to make that inquiry?---I am not aware.

Well, had somebody made that inquiry, they would have told you, no doubt, so that you could then have it processed for Country Labor, is that right?
---Possibly. Or they could have told - if that, if that phone call had happened, they might have just told Finance directly themselves, depending who made that call.

But weren't you involved in processing - - -?---Generally, but, like - - -

No, just let me finish.---Sorry.

Weren't you involved in the processing of all of the donations from the Chinese dinner on the 15th of March?---Yes, but not everything comes by me a hundred per cent.

10 If anybody heard that Mr Liao had rung and said, look, or somebody had rung him to get his intention made clear, that would have come to your notice, wouldn't it?---Not necessarily. It's a very chaotic atmosphere. So probably it should. You're right in saying that by best practice it should, but sometimes things go and people get skipped in the process if it's more efficient. That's, that's not uncommon I think in any office where things are moving fast.

MR ROBERTSON: I just want to take a step back to something that you said before, which was you may have circumstances in which someone
20 might want to make a donation that exceeds the relevant cap. Do you remember giving that evidence?---Yeah.

And can you just explain how that works? Do we take it from that that sometimes someone might want to donate more than the relevant cap, and then some of that amount of money is then banked into Country Labor as distinct from NSW Labor? Is that what we understood you to mean?

---What I meant was someone may have a broad, a broad support of the broader Labor movement, and they decided to donate up to the cap of both
30 Country Labor and NSW Labor.

Well, let me try and put it this way. You would agree with me, wouldn't you, that nowhere on this invitation form or reservation form do you see the words Country Labor? Do you agree with that?---No.

Where does it say Country Labor?---I said I don't see it.

So you agree with me that the words Country Labor don't appear on here?
---I do. Yep.

40 Now, do we take it from that that you wouldn't suggest to the Finance Department that, absent some other additional information, that the \$5,000 referred to on this form should be banked in Country Labor rather than NSW Labor? Is that fair?---Sorry, repeat that again, sorry.

Is it the case that if the only communications you had from someone like a Mr Liao was this particular document, a signed document saying \$5,000 for NSW Labor Chinese launch, that's the only communication that you had, you would say the money should be banked into the NSW Labor bank

account as distinct from Country Labor or the federal account, is that fair?
---No. Sometimes a lot of our events designated for the money to go to
Country Labor.

I'm not talking about other events at the moment. I'm talking about this
particular event.---No, this particular even I can't remember where the
money was generally designated to go beforehand.

10 I see. So are you saying that although this document refers to NSW Labor
and doesn't refer to Country Labor, the qualification you are drawing is that
there may have been some other indication that it was a joint event for NSW
Labor and Country Labor, is that what you're saying?---I guess that's (not
transcribable) I guess.

You mentioned before about people wanting to donate more than the cap.
Can I just try and understand that? If this form said, "I'm unable to attend
but would like to make a donation," you see that italicised sentence about
two or three-tenths of the way down the page?---Yep. Yep.

20 And said instead, "I want to make a \$10,000 donation," and you know that a
\$10,000 donation is more than the applicable cap, correct?---Yes.

If that came to your notice and the Finance Department asked you, "Well,
what shall we do now?" what would you then do?---I would probably ring
the donor and say, "You're over the cap. You can't donate that amount of
money."

30 But would you go further and say, "You can't donate \$10,000 to NSW
Labor but you may wish to donate 5,000 to NSW Labor and 5,000 to
Country Labor"?---I could.

Was that something you've done before?---Not to my knowledge, no. But I
could say that.

Have you done that or something like that in connection with the 2015
Chinese Friends of Labor event?---Rung up a specific person and told them
to, like, split the donation? No.

40 So if this particular form for Mr Liao was recorded as a donation to Country
Labor, can you just assist us as to why it would be recorded as Country
Labor rather than NSW Labor?---Sometimes Labor events, the donations
are, I don't know what the word is, slated to go to Country Labor.

When you say slated, how is it slated?---As in the proceeds of an event to go
towards the Country Labor.

But how is that announced? Is that made clear to people who may wish to
donate to the event? Or how is it, to use your word, slated?---Quite, quite

often people are, are known to – sorry, it is known, but I guess when the form’s not written - - -

When you say “it is known”, how is it made known?---Well, sometimes people talk about it and say, “Oh, it’s going to Country Labor.” “Oh, is this going to Country Labor?” sometimes.

10 THE COMMISSIONER: Are you saying somebody within the - - -?---No, I mean just general people like maybe people who attend the event or just - - -

Well, what happens when a form like this lands on your desk, no indication by the donor what he wanted to donate to?---So, a form - - -

Are you saying that somebody within the office would make that decision notionally to allocate it to one or the other association? Is that what you’re saying or not?---Yes, beforehand.

20 So if somebody – when you say “beforehand”, what do you mean by that? ---As in before the event took place there would probably be an understanding or a direction of where the proceeds of that event would go.

Where would that direction come from most likely?---Somebody within the office or - - -?---Yes, yes, someone within the office.

Whether or not they knew what the person had intended?---I, I guess you could put it like that.

30 Incidentally, you knew then a company by the name of Wu International? ---No. Never heard of it.

Do you know of an Alex Wu?---I know Alex Wu, yes.

How do you know him?---I know him through he attended an event for the Willoughby Council election in 2017, that’s when I met him.

Did you know him before then?---No.

As a donor to the Labor Party?---No.

40 You didn’t?---Honestly, no.

MR ROBERTSON: You referred a moment ago to an understanding or direction that there may be an understanding or direction that for a particular event money might be deposited in Country Labor in addition to or perhaps instead of NSW Labor. Did I get that right?---Yes.

And that’s an understanding or direction that would happen within head office. Did I get that right?---Yes.

To your knowledge, was there any such understanding or direction in connection with the 2015 Chinese Friends of Labor event in March?---like I said, I can't recall a specific instruction to that, to that effect for this event, expect for seeing the receipt that you showed on the screen.

If there was such an instruction, who would give an instruction of that kind within head office?---Possibly at the fundraising, at a fundraising venue or something like that.

10

But, what, is that a direction that would only come from a general secretary or assistant general secretary or it might have come from someone else within the organisation?---I mean, you could say all things come back to that level or rank but, like, it might just be something that's sent by somebody during the meeting. Everything is going to, like, these three events are going to Country Labor.

20

What I am just trying to understand is how do you know, in relation to a particular event, that the money received from it should go into NSW Labor versus Country Labor versus the federal account?---It will be something discussed at a meeting beforehand, so yeah.

And to be clear about that, that's something that would always be set upon in advance of the events itself?---Not always but usually I would say.

30

So does that mean that on at least some occasions, there may be an event in which money has been donated and it's only later decided whether that money should be donated into or received into Country Labor's account versus NSW Labor account?---No, that's not what I meant. What I meant was, I'm sure the money has been earmarked or whatever for a certain account already but that many not have been communicated to me before the event.

I see. So I just want to be clear about this. Is it your evidence that for all fundraising events associated with the Australia Labor Party in New South Wales, in advance there is some understanding or direction as to where the funds from that event should go. Is that what we understand you to be saying?---I would think so.

40

Well, that's been your experience as an employee and community relations director since 2013, is that right?---Yes.

And that's an understanding or direction that is come to at head office rather than in the Labor Action Committees itself, is that right?---Yes.

And so the Australia Labor Party will know in advance of an event like the Chinese Friends of Labor, NSW Labor Chinese launch, whether that money is going to go into the NSW Labor bank account, Country Labor account,

federal account or some combination of those three, is that right?---I think so, yep.

Well, not just you think so, that's your understanding of the procedure in your capacity as someone who has worked at head office since 2013?---That sounds correct.

Not just it sounds correct, it's consistent with your experience in your capacity as an employee - - -?---Repeat it again then, please?

10

You've been Community Relations Director for NSW Labor since 2013, correct?---Yes.

Part of your role in that capacity is to coordinate Labor Action Committees, correct?---Yes.

One of the things that Labor Action Committees do from time to time is run fundraising events?---Yep.

20

And am I right in understanding your evidence to be that for those fundraising events, there is always, in your experience, an understanding or direction from within head office that the money from a particular event is going to be deposited in a particular account as between NSW Labor, Country Labor and the federal account?---Yes.

And in terms of who gives that direction, can you recall on any occasion where that direction's been given, who as in the individual, who actually gave that direction?---Can't recall who gives the actual direction but it will come from one of the higher-ups in the office.

30

When you say one of the higher-ups in the office, who are you, what officeholders are you referring to?---Most likely the general secretary or the assistant secretary.

And so in 2015 Mr Clements was the general secretary, correct?---Yes.

And Ms Murnain was one of the two assistant general secretaries?---Yes.

40

And you recall whether either of those two gave any direction as to where the money was to be deposited for the Chinese Friends of Labor NSW Labor Chinese Launch?---I don't recall either of them specifically saying.

Do you have any recollection as to at least the understanding as to where that money was to be deposited in respect of the 2015 event?---As I said earlier, not really, that's why I wasn't sure whether that money would go to NSW Labor or Country Labor, except for when you showed me the receipt.

I see. So sitting there now, you don't know whether the money from that event was supposed to end up in the NSW Labor bank account or the Country Labor bank account or the federal account. Is that right?---I would surmise from the receipt that you showed that the money should have gone to Country Labor since there's a receipt there showing Country Labor.

But presumably the receipt is issued after it has been processed rather than before.---Yeah.

- 10 So one can't really draw an inference from the receipt, can one, because the receipt's going to happen after the - - -?---I'm saying I don't remember that far back where the money went for that event. It would definitely have gone to one of the state accounts because that was a state election year.

So to be clear about that, you've now seen that receipt and that leads you to think that it was probably right for the money to go into Country Labor but you don't have any specific recollection that that was the understanding or direction in respect of that.---Yes, yes.

- 20 Did you ever tell anyone from within the Finance Department of NSW Labor as to how money should be distributed for that event, the 2015 Chinese Friends of Labor event, as between NSW Labor and Country Labor?---On occasion, and I'm not sure if it's specific to this event, the Finance Department has definitely said, is this event money for Country Labor or is this event money for NSW Labor and I would have answered accordingly to my knowledge at the time. So, yeah.

- 30 But what would that instruction or advice be based on, why would you know - - -?---The fundraising meetings at that time, but it's four years ago so it's not, you know, I can't remember.

I just want to make sure I understand this. So in advance of any event there is an understanding or direction as to where the money is to go from in respect of that event. Is that right?---I think we've already established that.

Well, I just want to be clear on what your evidence is.---Yes.

You're agreeing with me?---(No Audible Reply)

- 40 You're agreeing with me?---Yes, yes.

And does it follow then that you only would have given a direction or advice to the Finance Department that a particular bit of money associated with the Chinese Friends of Labor dinner in 2015 should go to Country Labor if there was some understanding or direction in advance of the dinner that that was what's supposed to happen.---A particular part of the, of the revenue?

That was a long question. I'll split it up. As I understand your evidence, there will always be an understanding or direction as to where the money for a particular event should ultimately go. Is that right?---Yes.

And we take it from that, do we, that if you had told the Finance Department that for example Mr Liao's money should go into Country Labor, that's not you deciding it for yourself, that's you acting in accordance with the understanding or direction that you've referred to. Is that right?---Yes.

- 10 So does it follow from that, that you don't take it upon yourself to decide where particular amounts of money should be banked and you rely on the understanding or direction in advance of the event, or are there some occasions in which you do take it upon yourself to try and figure out whether a particular sum of money should go to NSW Labor, Country Labor, federal party or elsewhere?---No.

So you're agreeing with me, you don't take it upon yourself?---I don't take it upon myself

- 20 You act consistent with an understanding or direction that you've been given?---Yes.

And that understanding or direction arises from, as I think you've put it, one of the senior officers usually at the general secretary or assistant general secretary level.---Yes.

- 30 In relation to money that arises from Labor Action committees, was it the procedure in 2015 that all of the money that was raised from an event of that kind should come back to Labor head office, or was it permitted for that action committee to keep some of the money itself?---No, all revenue comes back to head office, to my knowledge.

So to be clear about that, it would be a breach of what you understood to be the appropriate procedure in 2015 if some of the money raised from the Chinese Friends of Labor event in 2015 didn't end up back in head office to be deposited in NSW Labor or Country Labor - - -?---Yeah.

- 40 - - - but instead ended up in some other account, perhaps for the benefit of Chinese Friends of Labor, perhaps for the benefit of some other Chinese or other organisation?---Unless they had prior permission to do that, then yeah, that would, that would be against the rules.

Do you recall whether any Labor Action Committee has ever been given prior permission to raise money for itself or for other causes rather than for the cause of the Australian Labor Party?---Oh, off the top of my head, I think maybe one of the Labor Action Committees would have received clearance to use it for social media, on one of the state campaigns, I think, from memory.

And did that ever happen with respect to Chinese Friends of Labor or are you thinking of a different Labor Action Committee?---A different, a different.

So is it right to say that to the best of your recollection, Chinese Friends of Labor have never been given permission to raise some money for its own benefit or for the benefit of some other organisation other than the Australian Labor Party in its various guises?---Yeah, not to my knowledge.

10

And so if it was the case that in March of 2015 some of the money that had been received from the Chinese Friends of Labor dinner, if there was some money that didn't find its way back to head office, that would be inconsistent with the practice and procedures at that time?---That's right.

When we refer to the practice and - - -

THE COMMISSIONER: Well, it would be inconsistent with the rules to which you refer.---Correct.

20

MR ROBERTSON: Was that a position that was made clear to Labor Action Committees in or around 2015, do you recall?---May not have been, it may not have been, what's the word, communicated directly in that fashion, but I think the expectation amongst all the Labor Action Committees was that all revenue would come back to head office.

But mightn't it have been the case that in 2015, it was just, it was at least tolerated, it might not have been permitted, but could have it been the case that it was at least tolerated in 2015 that an event like the Chinese Friends of Labor dinner might actually earn some money for the Australian Labor Party and then deposited in say, NSW Labor or Country Labor, but might raise some other money that might find its way elsewhere, either for the benefit of Chinese Friends of Labor or perhaps some other organisation? ---No.

30

THE COMMISSIONER: Well, for that to have happened would be a gross breach of trust, wouldn't it? With the, with - - -?---That's right. For that to have happened, happened without my knowledge. Unless, unless permission had been sought before, then I would have known probably but in this, on this occasion, I know nothing of any money that didn't come back to us.

40

MR ROBERTSON: So to be clear about that, not only was it not permitted, to your knowledge and understanding, it wasn't even tolerated by anyone at head office?---No. No.

And indeed, from your perspective and from head office perspective, they would be very unhappy if they were to find that some money didn't find its way back to head office, is that fair?---Yeah.

Was there a profit target to the best of your recollection for the event in 2015?---For the event itself, no.

10 Are you quite sure about that?---For the event itself, we just try and maximise the, the donations as much as we can. We're trying to fight elections, et cetera, et cetera.

You know that there was a NSW state general election in 2015, correct?
---Do I know? Yes.

And this event happened a couple of weeks before that election, correct?
---Yep.

20 Well, in your capacity as Community Relations Director for NSW Labor, you must have been interested in the amount of money you were expecting to receive, that the Labor Party was expected to receive, through various fundraising events?---Of course. Of course.

And is it your evidence that despite that, you don't recall ever identifying profit targets for various events that were happening in the lead-up to the election?---I never gave anyone a profit target for an event.

Are you quite sure you - - -?---For that, for that, like, okay. So for other events I might have, but for that event, I don't think so.

30 So you have no recollection of identifying either a profit target or a revenue target in relation to the Chinese Friends of Labor event in 2015?---Not to my recollection.

Is it possible that you did?---Might have had a ballpark figure in my head.

Well, not just in your head. Did you communicate, did you have a profit target and did you communicate it to anyone else to the best of your knowledge?---I don't think, I don't think so.

40 You may have but you don't specifically recall, is that - - -?---I guess I may have but I don't recall.

Well, can I assist you this way. Can we go, please, to volume 2, page 52. Sorry, Mr Cheah, I'm just waiting for this to come up on the screen.
---That's okay. That's okay.

Can we go just back to the previous page, please. Do you see there an email entitled Road Map?---Yep.

And does that appear to be an email from you to Ms Murnain of 2 February, 2015?---Yes.

And Ms Murnain was one of the assistant general secretaries at the time of that email, correct?---Yes.

10 Now, does that refresh your memory that you may have identified at least a road map in relation to money that was sought to be obtained by way of donations and similar money in the lead-up to the 2015 election?---Yep.

So does that now give you a recollection that there may well have been a profit target or revenue target for the 2015 dinner?---Makes me look like an idiot, but, yeah.

But sitting there now, that's jogged your memory - - -?---Yes.

- - - that you may well have and not just had profit targets or revenue targets in your head?---Yeah.

20

You may have told someone about them, correct?---Yep.

If we just turn to the next page, we might just zoom in a little bit so that you can see that a little bit easier. See there what appears to be a spreadsheet headed up Road Map to Dollars Dollars Dollars?---Yep.

And if you just have a look at the first item, Chinese launch. Main organiser, Ernest Wong/Chinese Friends of Labor, and the date of 12 March. That's the date of the Chinese Friends of Labor event in 2015, correct?

30 ---Yes.

And there's an estimated revenue there of \$100,000, correct?---Yes.

Does that now refresh your memory that you did have at least a revenue target, being a revenue target of \$100,000, for that event?---Yes.

And you had some other revenue targets for various other functions that you had some involvement with at the time, correct?---Yes.

40 Chief Commissioner, I tender pages 51 and 52 of the bundle described as volume 2 of the public inquiry brief.

THE COMMISSIONER: Yes, those two documents will be admitted as one exhibit, Exhibit 161.

#EXH-161 – EMAIL FROM KENRICH CHEAH TO KAILA MURNAIN TITLED ‘ROADMAP’ WITH ATTACHMENT DATED 2 FEBRUARY 2015

THE WITNESS: Can I just put in context something?

10 MR ROBERTSON: Please.---So generally each year there would be a general, maybe a fundraising target for a Labor Action Committee but not an event specifically. Obviously in this case because we were coming up to an election, there was event-based targets, which obviously I’d just forgotten. But generally speaking there were targets set for, you know, this financial year, X Labor Action Committee try and bring in this money. Not event-specific, although in this case, yes, it is event-specific.

20 Just to understand that, part of your role as Community Relations Director for NSW Labor and your coordination of Labor Action Committees was to have an idea about how much money was going to be raised by each of those Labor Action Committees over the course of a year, is that right?
---Possibly, yeah, yep, yes.

Well, you - - -?---Yes.

I think you’re saying you have a recollection that part of your function - - - ?---Possibly it means that’s the target.

Yes, but you had a specific recollection that in some years you would have targets for particular Labor Action Committees, correct?---Yes.

30 Now, they’re targets, not hard-and-fast dollar figures, so they may be achieved or they may not be achieved in a particular year.---That’s correct.

And that’s what you were drawing attention to a moment ago - - -?---Yes.

- - - when you clarified your use of the word “possibly”, is that right?---And that’s why I thought that there weren’t any event-specific targets because I’m recalling back to those days or those targets which were not event-specific.

40 So to be clear about that, usually the targets of which you speak are annual targets for all fundraising?---That’s correct.

But you now have a recollection, having seen the document on the screen, that there were actually a few event specific targets in 2015?---Correct.

I now want to focus a little more in the events itself on 12 March, 2015. I take it you attended that event?---Yes, I did.

In fact one of your functions on the event was to introduce candidates in the state election? You got up on the stage and you introduced various individuals?---I think so, yeah.

10 Can we have please on the screen, the seating plan document. I'd just like your assistance as to how mechanically the event on 12 March worked as you understood it. While it's being brought up, in terms of money for an event like the Chinese Friends of Labor event in March 2015, is the money for that event usually received before the event, on the night of the event or after the event or is it some combination between those three?---It would be a combination of all three.

Is it predominantly before, predominantly - - -?---Predominantly after.

So we saw up on the screen before a document described as a reservation form and we saw your name on that form as a contact person in relation to that form.---Yep.

20 So is the idea that people are supposed to fill out a reservation form and send it on so that you know they're coming or just explain to me how that works?---The idea is that, yes, part of it is, yes, that they will fill it out as a reservation form so we know how many people are coming for a certain group of people. It's also a hope that maybe people will pay in advance of the event but that's very unlikely and very uncommon.

So to be clear abo that, it's uncommon for people to pay in advance of the event, is that right?---Uncommon. Not, not that it doesn't happen but it's uncommon.

30 And then in terms of money being received on the night versus after the night, is it predominantly on the night for Chinese Friends of Labor events or after the night?---I couldn't tell you a hundred per cent but I would say a lot of the money would come in after the event.

THE COMMISSIONER: But was it practice to try and encourage people to pay up before the dinner or during the dinner?---Yes, yes. Both. Both of those is encouraged.

40 Because human nature being what is it, people tend to make promises sometimes pay but they either forget about it or they're slack in paying. So you prefer to get it upfront or at the dinner?---Of course we prefer to get it upfront but in saying that as well, human nature is also I'll do it later, I'll do it later, I'll do it later and we end up having to pick it up after the event.

But organisers endeavour, wherever possible, to get the money in, don't they, before or after the dinner?---Do our best, yes.

Is that right?---Correct.

And that's often successful, is it?---To an extent.

Usually successful, you get most of the money, don't you, by the time the dinner party is finished?---No. Honestly, no.

10 Are you sure about that?---I am. I can tell you from many communities, not just political ones, that there is a lot of money chasing that goes on after the event because people are kind of lax in terms of wanting to pay on the night or they just get lazy or they say they will do it later and then they end up forgetting and leaving. Because from the customer's point of view, paying isn't the priority. From our point of view, yes, it is, we're trying to chase them up for it but from someone who books a table, oh, I'll just write a cheque next week, no big deal.

MR ROBERTSON: Mr Cheah, if you wouldn't mind just moving back a little bit from the microphone because I think someone's ears are being blown off as we speak.---Sorry,

20 On the screen is what appears to be a seating plan called ALP Chinese Friends of Labor, with Labor spelt incorrectly, Dinner. Do you see that there?---Yep.

And is that consistent with your recollection as to how The Eight restaurant was likely to be set out during the course of the event of the 12 March, 2015?---Yes.

30 And you can see there in the box toward the bottom right hand corner, a number 58. Do you see that there?---In the – underneath the date?

In a large box just underneath the date. Do you see that there?---Yes. I see 58, yep.

And that's identifying the number of tables that are to be set out, is that right?---Okay, yep.

So these are a rather large event, you'd agree with that, wouldn't you? ---Yes.

40 And you'd expect there'd usually be about 10 people on each of the 58 tables, is that about right?---Yep.

So we're looking at, say, somewhere in the vicinity of 600 people at an event of this kind, is that right?---Yep.

Now, how does one keep track for Chinese Friends of Labor events as to who is actually expected to be coming? Whose job is it to maintain some kind of a list or indication as to who is likely to turn up?---Most of the

people come from community groups, so there's usually invitations go out to various community groups inviting them to attend and if they attend then I suppose someone keeps a register or an Excel sheet of who's confirmed they're coming and how many people.

Who's the someone, though? So the form we saw before says, "Complete the reservation form and return with payment. Mail Attn: Kenrick Cheah." Is it you that keeps track of who's attending and who's not attending?
10 ---Who keeps, no, my name is there because, in case someone sends it to head office, so we know who to give it to at head office. In terms of who would keep the database of who would – not database, the list of who's coming, probably Ernest or Ernest's office would probably keep a list of who has RSVP'd yes.

THE COMMISSIONER: He was the principal organiser, wasn't he?---Yes.

MR ROBERTSON: Can you read Chinese characters?---No (not transcribable)

20 If you just have a look at number 8, in the bottom right-hand corner.---Ah
hmm.

See it says "two times" and then a string of Chinese characters?---Okay.

I'm going to suggest to you that that says "panel showing seating plan". Are you able to help us on that?---"Two times panel showing seating plan"?

Yes. You're not sure?---I can't read it.

30 But do you have a recollection that at Chinese Friends of Labor events there must have been a list or a panel showing where people were intending to, where people had been allocated to sit?---Usually to help people find their seats there's, there's something like that, like a diagram.

Because you've got 600 people and you need to give them some direction as to where to sit.---Yep.

40 And is it your evidence that, as best you understand it, it would be Mr Wong, Mr Ernest Wong, who would keep the list of who was going, who was going to be attending or not attending?---I can't definitively say because I don't know, but I, my assumption would be that, yes, he would have the list.

But to be clear, it wasn't you that was keeping a list as to who was coming and not coming?---No.

And to your knowledge it was no one within head office that was doing that?---Not to my knowledge.

And so therefore at least as a matter of procedure is it right to say that someone within Chinese Friends of Labor itself, rather than at head office, would be expected to be responsible for keeping the list of who was likely to attend?---Yes. That's, that's generally the case for most Labor Action Committee events.

10 Were you ever sent a copy of the list of people who were, who either said that they were going to attend or ultimately did attend the event?---I don't think so, but if I was, it would have been more than likely on the day itself to print copies of it for the people at the reception, to assist them.

I think you said before that at least a substantial amount of money associated with Chinese Friends of Labor events would actually be received after the event itself, is that right?---Yeah.

20 Who would be responsible for chasing up money in relation to people who had attended but who had not paid?---Depends who's close to that association from Chinese Friends of Labor. So I guess on the most part would be Ernest because he knows them all, but if someone is particularly close to an association, then they might be delegated to "Can you go chase up et cetera person for the payment."

Well, who would be responsible at least for coordinating that exercise? Because presumably it's someone who actually has to have a list of who attended and who had paid.---Presumably it would be Ernest, but like I said, I'm not on that committee. I don't have that intimate knowledge of the, who goes and does what.

30 But to your understanding it wasn't someone within head office?---To chase up the money?

Correct.---No, usually not.

It wasn't someone in the Finance Department, for example? They didn't have a list of attendees?---No, no, no, no.

40 That kind of exercise, at least as a matter of practice, would be done at the Labor Action Committee level as distinct from head office, is that right? ---Definitely not, definitely not the Finance team's job to do that.

And that means it's most likely that it's Mr Wong, perhaps Mr Yee as well?---I guess the team in general.

Now, I think you agreed that what you see on the screen is consistent with the way you would expect a seating plan to be set up for the purposes of a Chinese Friends of Labor event. Is that right?---Yes.

And I think you agreed that you attended the event in March of 2015?
---Yep.

Did you have any role on that night in terms of collecting any money that was being paid on the night?---No official role, but that's not to say people will come up and try and pay me for their tables or whatever, but no official role in terms of collection of money.

10 Well, can you just explain to me, then, in terms of money that was being received on the night, who was responsible for collecting that money, to your understanding?---Whoever was sitting at the reception tables at the entrance would have been responsible.

And that would be members or volunteers within Chinese Friends of Labor as distinct from employees of head office. Is that right?---On this occasion, yes.

20 So you're quite sure that on this occasion when money was being collected it was being collected by Chinese Friends of Labor people as distinct from head office people. Is that right?---Yes.

And can you just explain mechanically how that works. I think you explained that some money would be received before the event but perhaps not as much as you would like.---Ah hmm.

Some would be received during the event and some would be received after the event. Have I at least got that right?---Yep.

30 And in terms of the money received on the night - - -?---Ah hmm.

- - - how mechanically would that work, would people pay it at the reception desk, would they pay it on their table, would someone come around, how does that work?---All three of the above. So some would pay maybe, I assume some would try and pay at the reception when they come in if it's not too busy, otherwise they could, there will probably be an envelope on each table with a list of the names so people could tick off who they're paying for and put a cheque or money inside or a credit card form inside for payment.

40 But in all of those examples, it would not be people at head office who would be in charge of getting the money from the attendees in the first instance. Is that right?---Young Labor might be delegated to run around the tables and collect envelopes off table 36 for example or whatever.

But it would be people in that nature, people in the nature of volunteers, rather than head office employees doing that exercise.---Correct.

Is that right?---Correct.

And then was it the practice that if one received money on the night, if money was being received by Young Labor or by Chinese Friends of Labor on the night, would they be given a receipt immediately or would that come later?---That would come later I think.

10 And so do you know then how one keeps track of these Young Labor people or Chinese Friends of Labor people collecting money on the night, how do they keep track of whose money is whose?---You would – each person who donates money has to fill out a form, so they would correspond the form and the money back to the list, the original list which has the attendees on it. Did I explain that properly? So for example, Mr Smith buys a table and it's table 45, pays on the night, fills out a form, Mr Smith, puts all his details there, hands in whatever the amount of money is that, that the table costs and then the reception or whoever ticks that off against the list, the master list of attendees.

20 And when you say a form, do we mean a form of a kind that we already saw on the screen, that reservation form?---Correct, the invitation, reservation form, whatever you call it.

So that form, is it right that that form has a few purposes, in an ideal world it's a reservation form in a sense of saying I'm intending to come and this is how many tickets I want, but it's also used on the night, not so much as a reservation form, but as a record as to how much money is being handed over during the course of the evening?---The hope is that it's a reservation form which takes care of the payment aspect in one hit. That's the hope.

30 But in the real world - - -?---But that doesn't always happen.

But in the real world - - -?---Yes.

- - - that only happens occasionally and less often than you'd like.
---Right.

It's then used not so much as an in advance reservation form but rather as a record that particular money is being paid at a particular time.---A disclosure for we'd also call it.

40 And is it right to say that the Labor, the Young Labor individuals or Chinese Friends of Labor individuals would insist on a form accompanying money at all times - - -?---Yes.

- - - or is it possible that they accepted money but without accompanying forms?---It would be very, very, very uncommon for anyone to accept money without a form corresponding being collected with it.

So it would be - - -?---Unless it was someone who it was their first time helping out, didn't know the, didn't know the, the electoral rules et cetera.

So to be clear about that, at least from head office's perspective, it was expected that if anyone received any money, and at the moment I'm talking about cash, received any money in relation to seats at the Chinese Friends of Labor event or donations being received at that event, they wouldn't accept that money unless a disclosure form was associated with it, is that right?

---Yep.

10

And that would be the instructions that would be given to any of the volunteers or other helpers who were physically collecting the money?

---That would be the expectation.

When you say it's the expectation, you're reserving the fact that - - -?

---Because I don't know whether instruction was given every time for every event.

20

So it's possible, to your knowledge, that someone may have not done what was expected but some - - -?---Because only, yeah, certainly because they may not have known what they're expected to do.

But you're not suggesting that there was some, despite the instructions from head office, that there was some general practice of receiving money without forms?---No, no, no, no.

30

If it happened it shouldn't have happened?---We wouldn't take, anyone who knew what they were doing, which is most people, would not accept any money without a form because they know that we can't accept the money without the form. We can't process it, we can't bank it.

Is it the case that at least a substantial amount of cash would have been received at the March 2015 event or are you saying that that was unusual, it would be more likely to come afterwards?---When you say substantial - - -

40

Would you expect, on a Chinese Friends of Labor event, for tens of thousands of dollars in cash to be delivered to the event on the night?---It's possible. Maybe not cash always but it's possible that that amount of revenue could come in on the night.

I'm just trying to understand, it's spilt up between money received on the night and money received after the night?---Yep.

For a Chinese Friends of Labor event, is it more likely that money will be received on the night or after the event, to your knowledge and understanding in your role?---It honestly is very hard to say. Event by event, yeah, that can, that could be totally different. It's very hard to generalise like that.

So it would depend on the particular event, is that fair?---I guess so, yeah.

THE COMMISSIONER: What's your recollection about the dinner in March 2015, was the bulk of the money received at the dinner?---My best recollection, because of all these hearings is that the bulk of the money that was pledged at the event came after, obviously, which is what the inquiry's about. But if you're talking about was a substantial amount of money collected on the night, the money that was collected on the night doesn't
10 come to me on the night, it comes to be a small amount of time later. So it's hard to break down what was collected on the night as opposed to, I don't know, whatever day this was, Saturday, the Monday, Tuesday, Wednesday following. Does that make sense?

MR ROBERTSON: So is it right to say you don't have a specific recollection of many 10s of thousands of dollars being received on the night of the event in march of 2015, is that fair?---Specifically, no. I don't have any recollection.

20 But you can't be sure one way or the other because it was others - - -?
---Because I'm not responsible for the collection of cash or forms on the night.

And then just understanding in terms of the cash collected on the night so that I understand what you're saying. At least as a matter of practice and direction from head office, you don't take the cash unless you've got a disclosure form with it, correct?---Correct.

30 And so does that mean, assuming everyone follows the instructions, on the night there'll be a series of disclosure forms with, what, cash that is bulldog clipped or perhaps stapled to a particular form, is that the usual practice?
---Something like that, yeah. With an envelope together with (not transcribable)

And so at least the idea is to keep the forms with the cash so that that can eventually find its way into NSW Labor and be receipted et cetera in the appropriate way?---Correct, yep.

40 And I think you said to us, you don't receive a receipt on the night, that happens later on?---That's correct.

And then do we take from what you said before to be that on the night of a Chinese Friends of Labor event, it's not your role to get the money at the end of the night, is that right?---Correct.

So whose role is it, then, in a Chinese Friends of Labor event? Whose job is it to, as it were, collect up all the money that's received on the night?---The committee.

And in respect of this particular committee, Chinese Friends of Labor, who would that be? Is that Mr Wong? Is that Mr Yee? Or could it be someone else?---All of the above, collectively. It's, it's not just one, it's not just one person's job to get it on the night. Like, it's a team of people organising the event.

10 But what I'm now trying to understand is that once that exercise has been done, presumably all of the cash and perhaps credit card forms and cheques get organised in a central location. Is that right or not?---I don't, I don't understand what you mean.

Is it the case that what at least should happen at an event of this kind is you collect the money as best you can and you bring them all to a particular location so that they can be given to head office in one batch, rather than a series of different batches.---Well, yeah, I guess to one location, one person, something like that, obviously.

20 And that one person, who is that one person when we're talking about Chinese Friends of Labor?---Well, I guess more than likely the end person to collect it, because he has the responsibility over it, is Ernest at the end of the process.

So Mr Ernest Wong, I take it from what you're saying, isn't counting the money and doing the organisation, but at the end of it there'll be a, an organisation of money that Mr Wong's role is to ensure that it gets to head office. Is that right?---Yeah, I mean, he might count it to make sure that everyone's paid correctly.

30 But to be clear, it's not your job at the end of a Chinese Friends of Labor event to bring the money in to head office, correct?---No.

It's someone else's role to bring - - -?---That night, you mean? That night?

On that particular night, yes.---Yeah, no.

It's someone else's role to bring that money in.---Yeah, and give it to me at a later point.

40 And the usual recipient of money of that kind, the first recipient inside NSW Labor's head office in Sussex Street, is that usually you or is that often someone else?---That is usually me.

So your expectation would be that for each Chinese Friends of Labor event, some time within short order of the event someone will come in and give money to you?---Yeah, money and forms.

THE COMMISSIONER: And would you have expected that person bringing in the money would have been Ernest Wong in this case, this dinner?---Yes, which is what happened.

MR ROBERTSON: Can you just explain what then happened? So you then received the money. Do you then count up the money to make sure it matches associated forms when it's been brought in?---Yep.

10 And then you pass on the money and the forms to the Finance Department?
---So I would try to the best of my ability check that each person on the form is on the electoral roll because that's part of the rules of being a political donor, that you have to be on the roll. And once I ascertain that that's, you know, that Mr Smith of whatever Avenue is on the electoral roll, then, yes, then I would pass that money through to Finance.

So pausing there, you receive some money and some forms. You then go through each of those forms to make sure that the individual is on the electoral roll, is that right?---(No Audible Reply)

20 And once you're satisfied that there are forms in respect of people who are on the electoral roll with money associated with it, it then gets passed on to the Finance Department, is that right?---Yep.

And when we talk about the Finance Department, we've said that quite a few times, who are the individuals in the Finance Department that we're talking about?---At that time?

30 Yes.---Maggie Wang was the financial controller and then her, one of the accountants, I think the only accountant at the time was Jenny Zhao.

And so is it the case that you would usually pass the money on to Ms Wang if she was in, but if she wasn't in you'd give it to Ms Zhao, is that right?
---Yeah, but generally I would give it to Maggie because she has, she would basically need to check what I've done is correct before she would pass it along for processing.

Now, Chief Commissioner, I'm about to move on to another topic that's going to take more than 15 minutes.

40 THE COMMISSIONER: I was going to suggest that we take an earlier luncheon adjournment by reason of the fact that we haven't taken a morning tea adjournment. Is that convenient?

MR ROBERTSON: That's convenient to me.

THE COMMISSIONER: Yes, very well. Mr Cheah, we're going to resume at 2 o'clock, so you're free to go to lunch now. Yes, I'll adjourn.

LUNCHEON ADJOURNMENT

[12.45pm]