

GERDAPUB01103  
26/02/2019

GERDA  
pp 01103-01145

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INDEPENDENT COMMISSION AGAINST CORRUPTION

STEPHEN RUSHTON SC  
COMMISSIONER

PUBLIC HEARING

OPERATION GERDA

Reference: Operation E17/0445

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY 26 FEBRUARY, 2019

AT 2.00PM

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

THE COMMISSIONER: Mr English. No, who have we got next?

MR ENGLISH: Mr Robinson's to continue.

THE COMMISSIONER: Yes.

10 MR ENGLISH: It's Mr Coleman who's to continue, Commissioner, with his questioning.

THE COMMISSIONER: Of course. Take a seat.

MR COLEMAN: Thank you, Commissioner.

Mr Robinson, I asked you some questions earlier about your knowledge of subcontractors doing work for SNP on the site. Of course SNP were providing security services, I think you agreed, prior to the 2015 contract.  
20 Correct?---Yes, that's my recollection.

And were you aware that SIG had been providing subcontracting services to SNP at the university since 2012?---No, I wasn't.

From time to time would you have meetings with your staff to discuss the performance of the sub, of the – I withdraw that – of the security services being provided by SNP?---Yes.

30 And would they discuss various matters about how well those services were being performed, whether KPIs had been met?---Yes, they would provide information around performance.

And you may have given this evidence, and I'm sorry if you already have, but who would attend those meetings?---It depended on the meeting, depended on the occasion, because throughout the duration of myself being the director I have continued to alter and improve the way that we go about doing things. So in most recent times we've had what we refer to as a campus services board, which is chaired by an independent, prior to that I would have had meetings which were referred to as facilities management meetings.  
40

Right.---Typically looking across the gambit of areas that Mr Sullivan at the time was looking after, and then after Mr Sullivan left the organisation and Mr Hoyle came in, across his areas. So the span of the conversation would be all of the campus services.

Cast your mind back if you can to 2012 when you first took up the role.  
---Yeah.

Relevantly from those officers of the university who were involved in the provision of security services on campus, what sort of meetings would you have had with those officers?---I would typically have met with Mr Sullivan and Mr Andrews. I had very little contact with Mr Smith, except when we were in what I'd refer to as incident mode.

10 And what sort of meetings would generate, or sorry, what sort of incidents would generate an incident mode meeting?---When we would stand up the emergency control room.

What does that mean?---That means that we were under the university's emergency response plan, we would have kicked into there being an incident that required me to stand up the response team.

I see. But leaving aside the emergency modes or incident modes, the meetings you would have had with Mr Andrews and Mr Sullivan, would they have been monthly meetings?---Typically I would meet with Mr Sullivan monthly.

20 And would there be meetings held less regularly with more of the university staff who were involved in the provision of the campus security services, for example would there be quarterly or half-yearly or yearly meetings with more of the staff, other than Mr Sullivan and Mr Andrews?---They would be the meetings I was referring to with Mr Andrews and Mr Sullivan. No, there wasn't, you know, certainly in later years, 2016/17/18, yes, because Mr Andrews left the university around July of 2016 and Mr Smith would be having regular meetings with me on the monthly meetings with Mr Sullivan as well.

30 And in all of those meetings when you were discussing the performance of SNP and campus security services generally since 2012, do you say that there had not been one mention of the use of SIG to provide subcontract services at the university?---That's my evidence.

Now, have you been listening in to the live feed of the evidence of the proceedings before the Commissioner?---Some of them, yes.

40 You understand that the evidence disclosed is that there has been what's been referred to as time sheet fraud and ghosting?---Yes.

And are you aware that the evidence is, I want to suggest, that – I withdraw that. So you know Mr McCreddie was the site manager for SNP at the university?---Yes, that was my understanding.

So he was the SNP senior man out there?---Yes.

And - - ?---I'll refer to him also as the account manager, yeah.

I'm happy for that description, but he would describe himself also as the site manager.---Yeah, he was both.

And Mr Balicevac, Emir, was the 2IC?---Yes, I'm led to understand that.

And there was another SNP employee out there called Mr Frank Lu?---Yes. I've probably learnt more about Mr Lu during this inquiry than I did prior.

10 We probably all have. But did you know that he was an employee of SNP at the university?---I assumed everyone who was wearing an SNP uniform was an SNP employee.

Well, they wore Campus Security uniforms, didn't they?---Yes, you're correct.

Right. So there was no SNP badges on them, was there?---No.

20 Right.---But they were supplying the uniforms as I understood.

Right. But are you aware from listening in that the evidence is that each of Mr McCreadie, Mr Balicevac and Mr Lu engaged in a deliberate course of conduct to deceive SNP of their fraudulent activities?---Oh, that would be again, from the evidence I've heard, my own personal opinion, yes, that's what I would have ascertained.

30 Thank you. Now, we were talking before lunch about the KPMG audit and you gave some evidence about it and also about the SNP response letter. Remember the chain of correspondence Counsel Assisting took you to was that Mr Smith met with Mr McCreadie and they generated some notes which were then sent from Mr McCreadie to SNP and the response letter was generated, remember that?---I do remember that chain.

You say in paragraph 34, I think it's of your first statement, which is Exhibit 104, that I think there is a judgement error if someone has closed out thinking that the SNP response allowed them to close that audit off.---Yes.

40 I assume you say it's a judgement error by someone at the university, is that right?---Yes, because again, the university's asked for a response as I understand, from SNP. They've provided a response, it would be then the university's officers who've decided that response was satisfactory.

But I want to suggest to you, it's more than a judgement error, it's – I withdraw that. Who should have provided that response to you so that you could be satisfied that SNP had adequately dealt with the KPMG report?---I think SNP.

Well, I mean, you understand the chain of correspondence was that Mr Smith sent the report or extracts of it to Mr McCreadie with a request that SNP respond to him as to – I withdraw that – respond to the university as to the matters raised in the KPMG report?---Look, my, I guess the question for me is, why would SNP not have addressed the response to me as, effectively, the delegate administering the contract?

10 Well, perhaps they assumed that because Mr Smith, who was the person that requested the response, that if it was sent to him, he would have, if he was obliged to, passed it up the line to you. That'd be a fair assumption, wouldn't it?---Well, in this case, it hasn't happened.

Yes, I understand that but it would be a fair assumption for SNP to make, wouldn't it?---It would also be my assumption it would happen.

That what would happen?---That it would be elevated to me.

20 By Mr Smith?---By Mr Smith to his direct report, Mr Sullivan, and in this case, Mr Duffy doing oversight.

So we know Mr Smith, Mr Sullivan and Mr Duffy, if they saw the response, didn't elevate it to you, is that right?---That's my understanding.

So it's more than just a judgement error, isn't it? It's evidence of a systemic failure in your organisation for people to report things up to you that ought to be reported, would you agree with that?---I think that's one way you could draw a conclusion, yes.

30 Well, I'm asking you whether you would agree with it.---I would agree that I am disappointed in the officer's not having brought it to my attention and that's my evidence.

40 Well, I was to suggest to you an evidence of a systemic failure in the reporting systems of your organisation because it's the second instance of a significant matter not being reported to you, that you say ought to have been reported to you. Do you agree with that? The first being the KPMG report. ---I would agree that they needed to be reported to me but in terms of whether it's systemic issue or not, again, is a matter of judgement around what a systemic issue is. Now, two occasions over the time that I have been in the director's chair, I wouldn't refer to it as being systemic but I would agree that I believe that they should have and were duty bound to inform me about the existence of the KPMG report and the response from SNP.

And would, since you took over the position in 2012, have briefed or informed your subordinate employees of what you expected of them in terms of reporting to you police officer significant issues?---Yes.

And in this case, they failed to follow that briefing. Would you agree with that?---Yes.

Both in terms of the KPMG report and the draft response – oh sorry, I withdraw that – the response from SNP?---Yes.

Now, if you had received the SNP response and you've said you regarded it as unsatisfactory, I gather you would have asked for further information or for further clarification of the response that it had made?---I would have.

10

And I assume because you thought that the response should have gone to you, you would have gone to the boss of SNP, Mr Roche, and asked those questions?---I would typically have gone to the MD, yes.

And you don't have any reason to suspect that if you'd done that, that Mr Roche wouldn't have properly and fully answered those questions?---Again, this is hypothetical, I don't know what Mr Roche's response would have been but I would have expected that based on previous conversations I've had in similar situations with other contractors, that normally the managing director takes it pretty seriously when I raise concerns.

20

Well, I understand it's hypothetical, because it's also hypothetical that had you received the breach notice, had you received the KPMG report, you would have issued a breach notice. So we're dealing in hypotheticals but your answer is you have no basis to say that Mr Roche, had he received any enquiries from you, would not have fully cooperated, that's right, isn't it? ---I've got no basis on which I would have assumed otherwise.

30

Now, I just want to ask you, there's one other matter I want to ask you about. You've given some evidence about seeing regular meetings at the pool café between SNP employees and university employees. Is that right? ---That's correct.

I think that's in your second statement, which is Exhibit 105. As I understand your evidence, you didn't like it because it appeared that they were working as a group very tightly, is that right?---I don't think I mentioned tightly at that point. I was talking about the actual Campus Security Unit team, being the University of Sydney's employees being tight was my statement.

40

I thought in answer to Counsel Assisting, you gave that evidence but never mind. So what didn't you like about your observations that the SNP staff and the university staff were meeting at the pool café?---The informality of it.

And who from the university did you see at these meetings?---I think that's contained in my statement. I've, I've, I've named a, a range of people, being Daryl McCreadie, Mr Balicevac, on occasions Steve Sullivan, Morgan

Andrews, Dennis Smith, Colin Bowman and Connie McGarry, I think were the list that I've got in my statement.

Quite a few university employees you've named there.---Except for two.

And going up to quite significant levels of seniority, would you agree with that?---That's correct.

And do you know a man called Mr Tommy Sirour?---No, I don't.

10

What did you do about, if anything, about your concerns about these meetings?---I think in my statement I say I noted them. I didn't do anything other than note them.

Well, I think you say you made a mental note of them.---Yep, yes.

If they were on concern to you, why didn't you do something about it?  
---Well, the explanation I had was that part of those meetings, because some of them would occur early in the morning, around about the time that Mr  
20 Smith would arrive, 6.30 in the morning. Mr Sullivan would arrive around that time as well. They would typically be doing a debrief with McCreadie and Mr Balicevac around what had happened the previous evening and they would be receiving effectively the report rather than doing it in a meeting room inside the Campus Security Unit, they chose to do it over a coffee in the, in the pool café.

I'm sorry, I'm trying to find in your statement your evidence about that explanation and I can't see to find it. Who gave you that explanation?

30

---That was given to me by Mr Smith and Mr Sullivan when I asked them what they would do in those meetings in the mornings because they were effectively doing that shift, for want of a better term, a change over from the shift to understand what issues might have been recorded during the evening and that, I was told, was when those two, being the 2IC and the site manager, would report effectively what the situation was that Smith and Sullivan were then walking in to in terms of running the operations for that day.

Well, when they gave you this explanation, did you express your concerns that these meetings should not take place?---No, I didn't.

40

Why not?---Well, I thought it was appropriate that they did do a handover meeting.

Well then what was the problem with having the meetings in the poolside café?---For me it was just the lack of formality.

Well, did you express that concern to Mr Smith and Mr Sullivan?---No, I didn't.

Why not?---I didn't.

Well, I mean, you're at least being implicitly critical of those below you for not reporting things to you and yet you've told the Commissioner that here there are some concerns about what's happening that you held and you failed to express those concerns to your subordinates so that they could remedy them. Do you have an explanation for that?---No, I don't.

10 Yes, thank you, that's the examination.

THE COMMISSIONER: Thank you Mr Coleman. Anyone else?

MR BENDER: With your leave, Commissioner, there is one matter I ought to have asked the witness some questions about. It won't take long.

THE COMMISSIONER: Sure.

20 MR BENDER: You gave some evidence, Mr Robinson, about the period of time it would take to replace SIG as a subcontractor, do you remember that evidence?---Yes.

What period of time, in your opinion, would be required to replace SNP as a contractor in respect of the guarding services component of the work they were doing generally?---Possible versus practical. The practical handover, I think I said before, was between three months to six months in a transitions in or out. Would it be possible to do it in a shorter period of time? Yes, but you'd have to be very focused and you'd have to be prepared to take some risks.

30 And what's the minimum period of time it could be done within taking acceptable levels of risk?

MR COLEMAN: I'm sorry, I can't hear you.

MR BENDER: What was the minimum period of time that could be done within taking an acceptable level of risk in your view?---To be honest, I haven't done an analysis of what would be acceptable to me. I would have assumed something in the order of 60 days.

40 Thank you, Commissioner.

THE COMMISSIONER: Mr Larkin?

MR LARKIN: No, I don't think there's anything I need ask, Commissioner.

THE COMMISSIONER: Thank you. Is there any reason why – sorry, Mr English?

MR ENGLISH: Nothing arising from me, Commissioner.

THE COMMISSIONER: Any reason why he shouldn't be discharged?

MR ENGLISH: No, no.

THE COMMISSIONER: Thank you very much for your evidence and you're discharged from your summons.---Thank you Commissioner.

10

**THE WITNESS EXCUSED**

**[2.22pm]**

MR ENGLISH: The next witness is Mr Roche.

MR LARKIN: Pardon us for a moment, Commissioner.

THE COMMISSIONER: Yes, sure, take your time. Mr Roche, will you take an oath or an affirmation.

20

MR ROCHE: An oath, Commissioner.

THE COMMISSIONER: Mr Givorshner, does your client seek the section 38 declaration?

MR GIVORSHNER: Yes, please, Commissioner.

10 THE COMMISSIONER: I take it you've explained the effect of it, have you?

MR GIVORSHNER: Yes.

20 THE COMMISSIONER: I'm probably going to repeat what your barrister has already said to you I should just say a little about your rights and obligations as a witness of this Commission. As a witness, you must answer all questions truthfully and you must produce any items described in the summons or required by me to be produced. The effect of a section 38 declaration is although you must still answer the question put to you or produce the item that I've asked you to produce, your answer or the item produced can't be used against you in any civil proceedings or subject to one exception, in your case, in any criminal proceedings. The exception is that the protection granted by a section 38 declaration does not prevent your evidence from being used against you in a prosecuted offence under the ICAC Act, including most importantly, an offence of giving false or misleading evidence. If you give false or misleading evidence to the Commission you commit a very serious offence which the penalty can be imprisonment for up to five years. Do you understand that?---I understand that.

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

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

THE COMMISSIONER: Mr English.

MR ENGLISH: Thank you Commissioner. Can you just state your full name for the record please.---Thomas John Roche.

What do you do for a living Mr Roche?---I'm the senior managing director of SNP Security.

10

That's a business that's had some affiliation with your family?---It has, it goes back to 1923 and it was started by my great-grandfather.

It's changed hands hasn't it, recently, SNP Security?---Yes, in April of last year Certis acquired SNP.

You'd maintained a senior ranking position there?---That's correct.

20

You're aware that this public enquiry is looking into the activities of security services provided to the University of Sydney?---I'm aware of that.

You are aware of Daryl McCreadie who was once an account manager in respect of The University of Sydney and then became site manager?---Yes, I know Daryl.

When did you first meet Mr McCreadie?---I would have met him probably 12 years ago when he started with the business. At the time we operated out of building at Homebush. It was a small location so there was fewer people in the office so I got to know Daryl well.

30

When you say fewer people in the office, how many work at SNP now in the office, not in the field, in the office?---Probably 130.

And back then when you first met Mr McCreadie I think you said 12 years ago, how many people were working in the office then?---Probably 40 may be 30.

40

You said you got to know him well. Can you tell the Commission how you got to know him well?---Just in terms of chatting to him through the course of the day, walking around the office, asking him in terms of jobs he was working on.

Did you build up a friendship with him in any way?---Not a friendship - - -

A professional relationship?---Yes, a professional relationship yes.

A good professional relationship?---Daryl was somebody I trusted.

What was it that you saw in him that, as you say, allowed him to gain your trust?---He was always up front, up till recent times he was always honest with me. If he gave me a response it was generally a very accurate one. I didn't have reason to doubt him.

Now, would you agree with the proposition that the SNP Sydney University was effectively – I withdraw that. Was left effectively unsupervised?---I believe the problem was there was far too much trust placed in the people out there.

10

But do you agree with me that that team, well, firstly, it was housed away from the national operations centre in, that's located in Ryde, is it not?---In West Ryde, correct.

West Ryde. So Sydney University, SNP's team out there was acting autonomously out there based in Camperdown?---Yes, they were based, the entire team were based on site.

20

What's the extent of the supervision in respect of that team from people from SNP?---In terms of managers above Daryl, calling out on-site, you know, seeing how things were going, attending monthly contract meetings and night supervisors going on-site, meeting the team, making sure that, addressing any issues that they see at night, communications with the national operations centre. But Daryl was very much the filter for information coming off-site.

30

What did Daryl have to do to report back to head office in respect of the week-to-week or month-to-month operations at the university?---I suppose in terms of the main feedback is the feedback that we get at the monthly meetings. That is an indication whether the job is running well, whether the client is happy, whether we're delivering on the contract.

The monthly meetings, who attended those?---They would have been attended by the branch manager, it would have been attended by Daryl, at various times you'd have a number of people, Morgan Andrews attending, obviously Dennis Smith, Steve Sullivan, I would attend the meetings from time to time.

40

These were held on campus then?---They're held on campus, yes.

You said the branch managers would attend. Is that every meeting, every monthly meeting a branch manager would attend?---I'd say they attended the majority of the meetings, I'm not sure whether they attended every single one but certainly the majority of the meetings. If there was anything that was out of the norm they would be requested to attend.

Are you saying, what are you basing that on, your understanding that they'd attend the majority of meetings, have you looked back at records or can you

just assist the Commission in how it is that you are able to say that?---I think, I think the structure of the meetings may have altered in terms of, they became less formal in terms of the approach. That's not uncommon with dealing with clients. When you've got a regular flow in terms of, the delivery of service.

10 There's been some evidence before the Commission about an unwritten policy that applied at the University of Sydney whereby SNP guards would perform overtime through subcontractors. Firstly, are you aware of that unwritten policy?---Only, I only became aware of it in the KPMG report when I saw that there was, I think the words were, a few SNP people working for SIG, it was certainly not a policy to have that, this is very much isolated to Sydney University.

Sorry, go on.---And a pocket of small clients in regional New South Wales. But we've now stopped that practice.

20 Okay. Mr McCreadie gave some evidence that in around 2010 I think someone from a security company named IPS approached SNP to have that arrangement put in place at the University of Sydney. Is that correct as to your understanding?---I'm not aware of that.

Well, if there was such a policy of SNP staff performing overtime duties through a subcontractor, is that something you'd have to approve?---It's just something I wouldn't approve. You know, like, in terms of like on a widespread basis, you know, we ah, you know, I, I, I wasn't aware of it as a, it wasn't a policy, it was something that I think was very much isolated, as I said before, to Sydney University.

30 So you said you wouldn't have – did you say you wouldn't have approved it, was that your evidence, did I just hear it correctly?---Yes.

Okay. Well, it's certainly something that Ms Willard was aware of in respect of Sydney University and I think it was put to her as an unwritten policy and Mr Giardini also refers to his knowledge in his statement of it occurring at Sydney University.---Ah hmm.

40 Is it your evidence that it didn't, that unwritten policy didn't filter its way up to you in any way?---I became aware of it in the KPMG report.

And that's the first time?---Yeah.

Okay. Can Exhibit 36, page 19 please be brought on the screen. You can see if we - - -

MR GIVORSHNER: I don't have a view.

MR ENGLISH: It might just be – I’m sorry, Commissioner, can I just try and assist Mr Givorshner?

THE COMMISSIONER: Yes, sure.

MR ENGLISH: I wonder if it’s just his screen.

MR LARKIN: Commissioner, it may be that when we unplugged our laptops we’ve bumped some of the cabling out.

10

MR GIVORSHNER: I’ve got it, I’ve got it now.

THE COMMISSIONER: Are you right?

MR GIVORSHNER: Yes.

THE COMMISSIONER: Good.

20

MR ENGLISH: I learnt from what happened with Ms Li, Commissioner. It’s just the on/off switch.

Now, sorry, Mr Roche. So if we go to the bottom of that exhibit, you can see that there’s an email on 19 July, 2016.---Ah hmm.

It’s from Mc McCreadie and he’s talking about some costs – I withdraw that – some charges for two days of filming in respect of a Jackie Chan film at the university.---Sure.

30

And if we go up, Mr Fields writes to Mr McCreadie, Mr Balicevac and yourself, “Great work, team.” And then McCreadie says, “No overtime, all put through S International Group to maximise the margin.”---Ah hmm.

Do you see that?---Ah, I see that, yes.

Do you recall receiving that email?---No, I don’t.

Now, that slightly pre-dates the KPMG report - - -?---Ah hmm.

40

- - - because that’s 20 July, 2016. The KPMG report is 26 July, 2016. ---Sure, okay.

Do you agree here Mr McCreadie is referring at least to a practice on this occasion whereby SNP staff were put through S International Group to improve profitability for SNP?---Yeah, I agree with that, your statement.

Okay. And you say before this date you had no knowledge of this practice, do you?---I’m saying it was around the KPMG report and I read it in the KPMG report. I don’t recall seeing this email.

Well, he's saying it's to maximise the margin, so it's clearly something that's been done on this occasion with a view to improving the profitability of SNP. Would you agree?---If he's done that, yes, I agree with that.

So he's working in the commercial interests of SNP on this occasion. Correct?---He believes he is, yes.

So at this time were you the managing director?---Yes, I was.

10

And you're getting cut into emails of this nature?---Not always. Now, this is more an operational, I don't know whether Daryl copied me in to sort of try to elevate my thoughts of him, I'm not sure why he's copied me in on this.

Well, do you agree that from his email he's, it isn't apparent that this is the first time this has been done?---Well, yeah, I agree with that statement, yes, and also what Linda said yesterday.

20

Are you aware that a direction was provided, and I can probably find details of this in due course, to the staff – I withdraw that – the guarding staff at the University of Sydney that SNP wasn't going to pay overtime for them and if they wanted to do overtime they had to do it through SIG?---I wasn't aware of that.

You weren't aware of that?---I don't, I don't recall that, that pacifically. [sic]

30

Okay. What understanding – so let me ask you this. There's evidence that such a direction was provided.---Ah hmm.

And you're aware of the fact then that that's what occurred at that site, are you aware that if people wanted to do overtime they had to do it through SIG?---I was aware that there was a practice going on, the frequency of that practice I was unaware of. From the KPMG report I thought it was happening on a handful of shifts.

40

All right. Well, let's go to the KPMG report if we can, please. That's I think Exhibit 70, page 198. Exhibit 71, sorry, Exhibit 71, 198. That's the report that you saw, did you, on or around the date in the bottom right-hand corner?---That's the report I saw, yes.

Around that date?---Around that date, yes.

Okay. Who brought it to your attention?---I'm not 100 per cent sure. I'm not sure whether I was emailed from the university, but I'm certainly familiar with the report.

Okay.---Or whether a copy was initially put on my desk.

You read it carefully, did you?---I went through and, and reviewed the report, yes.

And you're aware that a response from SNP was sought in relation to the key observations?---Yes, I am.

10 Are you aware Daryl McCreadie worked on some notes to form the basis of that response?---Yes, I am.

Are you aware that he sat down with Mr Smith from the university in compiling his notes to the matters raised in the key observations?  
---Not to the detail that I'm aware now.

Were you aware at the time that's what he did, were you aware – I withdraw that. Were you aware that he sat down, putting to one side detail, that he sat down with Mr Smith for that purpose at the time?---I knew - - -

20 MR GIVORSHNER: I presume my friend's question is were you aware then, because I think the questions of when awareness came - - -

THE COMMISSIONER: Yes, I agree.

MR ENGLISH: I thought I made that clear, sorry.

30 Were you aware then, putting to one side the detail, were you aware at the time that McCreadie sat down with Smith for the purposes of compiling Smith's response?---I was aware that McCreadie was talking to Dennis Smith on a daily basis and that this would have been front of mind for them. The detail they discussed it I'm unaware.

So a report was – sorry I withdraw that – a letter was provided in response to the report. That can be found at Exhibit 71, page 286. Did you see this letter before it was sent to Mr Smith under Darlene Winston's hand?---I'm not sure whether I saw this exact letter, I certainly saw an earlier draft of it and I was aware of what was going into the letter, the parts of the response of the letter. I'm not sure whether I saw the final one.

40 So is it fair to say you were aware of the contents before it was sent out although you might not have seen the final form of the letter?---In terms of the points that were going to be addressed, yes.

So by this time, that's 23 August, 2016, you became aware of the unwritten policy that SNP was to have, that SNP employees were to do overtime through SIG?---Yeah, I was aware of that through, yes, I was, that's correct.

Isn't that a practice that exists to circumvent the payment of overtime to SNP employees?---Well, it can certainly be viewed that way.

Well, why is the statement under 1.1 contained in the letter that says, "No practice exists to circumvent the payment of overtime to SNP employees"? ---Well, we were paying overtime on, to people on-site. So overtime is available at the university and overtime is definitely available at every other site we operate at.

- 10 Well, that was a practice that existed to circumvent the payment of overtime to SNP employees, I think you just agreed with it.---I know, it could be, I'm saying it could be perceived that way.

The next sentence, "SNP uses a subcontractor, SIG to cover ad hoc more demand areas of security and peaks in security demand, often a result of one off or infrequent security needs at the university." Do you see that?---So I'm just looking for that at the moment. Where are you referring to on the letter?

- 20 It's the third paragraph, the second sentence.---Oh, okay. SIG employs its own staff?

"SNP uses a subcontractor, SIG to cover ad hoc," do you see that?---Yeah, I see that now, yes.

- 30 Were you aware at the time that this letter was written whether SIG staff were being used to fill contract positions at the university?---No, I, I believe that SIG was used for the ad hoc in the surge. Whether they from time to time filled a full-time position or not, you know, if we couldn't find another person to do that, that could have been a possibility but certainly, their role was to do the ad hoc work.

Moving on to the next paragraph. The second sentence, "No employee of SNP is either required to or encouraged to work for SIG by SNP."---Yeah, I see that.

Do you say that that's a truthful statement?---At the time I believe it was a truthful statement. From what I've heard now, it isn't.

- 40 I think you've given evidence, you were aware of the policy by this stage, whereby overtime was paid to SNP employees through SIG?---I was aware of the, that, I'm referring to the fact it was, I think the KPMG report refers to a few SNP employees working for SIG, not that it was widespread.

Well, I'm looking at the response here. It says, "No employee of SNP is either required to or encouraged to work for SIG by SNP." Now, surely on a benign view, SNP employees were encouraged to do their overtime through SIG by SNP?---I don't know whether that's a hundred per cent

right. You know, now I know that they were and I'm sure that, you know, Daryl was manipulating work to SIG but at the time this was written, you know, we believed that statement was right.

And as you're sitting there in the witness box today, do you believe the statement's right?---Not on the information I've heard over the last two and a half weeks.

10 So does the Commission understand by your evidence that you believe it was McCreadie who was encouraging SNP staff to do overtime work through SIG?---I think from the evidence we've heard, I can only go on that. You know, he, Daryl was looking at channelling work to SIG at all opportunities.

Just going down to the photograph before the subheading, "During the audit a single staff member from SIG was identified as having worked 15 days without a full day's break." Just pausing there, is that a matter of concern to you?---Absolutely.

20 Why in particular?---Well, because it's a fatigue breach.

And so "This has been brought to the attention of SIG and corrective action to the further has been taken," that's that Ms Winston said. Do you know what corrective action was taken in to the future?---SIG could have received a formal notification on it. It's quite likely they did.

Well, you're saying it's quite likely. Do you recall that they did actually at that time, around 23 August, 2016?---I'm not sure if, if they actually did. I'm saying it's quiet likely they would have.

30 Now, just going back to this issue of your awareness of this unwritten policy at the time, to have SNP employees perform their overtime duties through SIG at the university. Just assuming your knowledge of that for the moment, do you say against that background the first sentence at paragraph 1.1 is accurate?---I suppose my understanding when I was going through this, I was working on the background of the KPMG report that said, you know, a handful of SNP people, I think the word was a few, is working so, yeah, we were still paying overtime. So there was overtime being recorded on, at Sydney University.

40 I'm wondering if the statement of – can I just make one enquiry, Commissioner. Just wondering if Exhibit 96 can be brought on the screen. This is a statement of Lina Chami, who has worked for both SIG and SNP. Are you familiar with who she is?---No, I'm not.

If we look at paragraph 12 on page 3, she says at 11, "Sometime after working for SIG, I began working as an SNP permanent full-time security officer at the University of Sydney." She says, "I also began in '12 as an

SNP employee,” because she wanted job security and, “Because I wanted to be paid on the books and receive payslips.” Pausing there, were you ever aware that S International Group had a practice of not paying – I withdraw that – of paying its employees in cash?---No, I wasn’t.

Have you learnt that since the commencement of this public inquiry?---No, I found that out after, when we removed them from site.

10 So you found out prior to this public inquiry?---Yes, I found out prior to the public inquiry.

So, what, in around April, 2018?---No. We started to employ the SIG guards and I was continuing to ensure that the duties at the university were continuing and they wanted, they wanted to get paid. You know, they were saying, well I want to get paid cash and I'm saying, well it's doesn't happen like that. I didn't heard it, I heard it from the, ah, people on-site and that led to difficulties in covering some of the shifts.

20 And that was in around April, 2018, was it?---It was, it would have been, it would have been May. It would have been after we'd removed, sorry, you're right, April, April, 2018.

And when SIG was removed as a subcontractor at Sydney University, was SIG removed from all other jobs with SNP at that time?---They were.

30 If we go to paragraph 14 on page 4, you can see that Ms Chami says, “I worked with SNP and with SIG at the same time so I could cover shifts if guards were absent, for example, when they were sick. It has been an SNP requirement at the university for their guards to be available to cover shifts through a subcontractor since I started working there in 2012, even prior to SIG becoming the subcontractor.” Are you saying you had no knowledge of that requirement of SNP's?

MR GIVORSHNER: Well, no, I object to this, Commissioner. The fact that it's a requirement is a statement from the witness, who clearly is working in a corrupt environment, so what she was told by McCreadie she may have interpreted as a requirement. Now, putting to this witness that it was a requirement is unfair.

40 MR ENGLISH: Well, no, with respect, this is prior to SIG becoming a subcontractor. She's talking about (not transcribable) policy that pre-dated that.

THE COMMISSIONER: Go ahead.

MR ENGLISH: Yes, so - - -

MR GIVORSHNER: (not transcribable) between 2016 and 2018.

MR ENGLISH: Just looking at paragraph 14, Ms Chami said “It has been an SNP requirement at the university for their guards to be available to cover shifts through a subcontractor since I started working at the university in 2012.” Having read that, do you stand by your evidence that you were unaware of this practice prior to learning of the KPMG report?---I do.

10 Who at SNP would have the authority to implement a practice of guards performing overtime duties through a subcontractor and not through SNP? ---We believe this is isolated to one job, and some small jobs in regional New South Wales. I don’t know where it came from. You know, there’s a lot of speculation in the office in relation to who came up with this policy initially. I don’t know where it came from.

Well, which job roles would be senior enough for someone to authorise and implement that policy?---I think it would have to stay with a branch manager. But again, this is, this is something that, I don’t know where it came from initially.

20 So just assume from me that as at 1 September, 2015, when the contract was first entered into between SNP and the university, SNP was charging a flat hourly rate for guarding services for out-of-contract matters of 32.57 per hour. You accept that from me?---I accept that, yes.

SIG was charging SNP \$24.80 per hour.---I accept that.

Did you yourself perform any reconciliation of the legality of the rate that SIG was charging SNP at that point in time?---No, I didn’t.

30 Are you aware if anyone did from SNP?---No, I’m not aware.

You’re familiar with the Security Services Award?---Yes, I am.

Commissioner, I’m wondering if Exhibit 125 can be brought on the screen. As you can see, this is the pay guide from 1 July, 2015.---Ah hmm. Yeah, I see that.

40 If we go to the next page, please. You can see that a security officer level 1 on full-time or part-time employment is entitled to \$19.42 as an hourly pay rate.---I see that, yes.

And then Saturdays, \$29.13.---Ah hmm.

And you can see the rest of the rates there.---Sure.

What do you say, if someone’s paying their guard force legally, or are you able to explain how – firstly let me ask you this. What in your experience is the usual margin applied to a guard’s rate by a subcontractor providing

services to a contractor?---The industry works on very tight margins across the board, so it would be a tight margin.

So in what type of range?---Typically the industry would work around 5 per cent, if not less.

There's superannuation that would need to go on top of that?---Yes.

10 So, what, around 9.5 per cent or something?---Yes.

What other expenses are there? Payroll tax?---Depending on the size of the organisation.

Did you understand whether SIG at the time had an obligation to pay payroll tax?---No, I'm not sure what their percentage of payroll tax was and what thresholds they fitted into.

20 They were invoicing from the start of the contract, what, around \$60,000 a month.---Yeah, that'd be, yeah, approximately right, yes.

That suggests to you that payroll tax could be owing for that organisation? ---Yeah, but I'm not sure what the break-up of the payroll tax was.

Now, just crunching the numbers here, do you know if anyone did a similar exercise at SNP in respect of that SIG rate of \$24.80 when a contract was first entered into in September 2015?---In terms of setting a rate with SIG?

30 Assessing the legality of that rate that was being charged by SIG to SNP. ---No, but I can step you through the process that may have happened.

Yes, go for it.---Which would have been that, and since 2015 we'd have a lot more rigour in the way that we deal with our subcontractors, so - - -

A lot more what?---Rigour in the way that we deal with our subcontractors.

Rigour.---So in 2015 there may have been a conversation between a branch manager or potentially Daryl in relation to agreeing a rate with the subcontractor for the work. Possibly would have been a branch manager.

40 Is that it?---Well, in terms of agreeing a rate at 24.60 or 24.80.

But I thought you were, I thought the question was around about what type of consideration of the legality of that rate there was, and your answer is just that Daryl or a branch manager would agree on a rate with the subcontractor.---Yeah, based on the perceived hours that are required. You know, the subcontractor would have provided us a price and we would have, they would have provided us a price and we would have given them, said,

okay, this is the range we're working within based on the hours that we perceived are needed.

So no one at head office would undertake a deeper analysis of that figure to see whether it would, it was legal and complied with all relevant industrial requirements?---We saw that as the obligations of the contractor. We're dealing with companies that are perceived large enough to control their own business processes and practices.

10 All right. Sorry. So it's the responsibility of the contractor to nominate its rate chargeable to SNP, is that right?---Yes.

So SNP has got no interest, is the Commission to infer, as to the legality of that rate?---No. No. If we believe the rate is not enough, right, we're not going to employ the contractor. It's exactly the same arrangement in terms of if we provide a client with a rate that is below what is necessary to deliver the service.

20 Well, the rate that was charged to the university was a flat rate at all times, correct?---Correct.

Now, that took into account no fluctuation by reference to day of the week or time of the day?---Yeah, it's a flat rate.

Yes. Are you aware that of the tenderers to the university, SNP was the only one which offered a flat rate for out-of-hours guarding services?---I wasn't aware until a couple of days ago.

30 Is that a practice that is still occurring at SNP? That is, flat rates are being offered as opposed to fluctuating rates?---No, the vast majority of our tenders, if not all of them, will have fluctuating rates. You get some clients that request a flat rate, but the vast majority have fluctuating rates based on their shifts.

40 Now, just in relation to your answer given just a moment ago that it's the subcontractor's responsibility to assess the appropriateness of its rate. Does SNP do anything to require an assurance from its subcontractors that they have sufficient workers' compensation insurance?---We do (not transcribable) a declaration from the subcontractor.

And from time to time SNP is also provided with a certificate of currency from its contractors?---From time to time.

And do you know whether those certificates of currency are ever evaluated against invoices, say, to determine whether there's sufficient coverage held by the subcontractor in respect of the services it's providing to SNP?---I think at the time that wasn't being done.

Well, if we can just bring up, please, Exhibit 37, page 21. Here's an email from a Lynn Li at SIG services to SNP operations. I think it's sydpsdrosters@snpsecurity and copying in McCreadie. Do you see that?  
---Yes, I see that.

Who would this email have been received by, do you know?---I'm not sure, SNP operations goes to the national operations centre.

10 If you go over the page, you see it's a statement of coverage for S International Group current from 31 of August, 2015 to the 31 August, 2016. You see they're identifying that they've got 25 workers covered by the certificate of currency. Does that accord with your understanding of the scope of services being provided by S International Group to SNP at that time?---It's clearly understating the head count.

20 If I was to say to you that perhaps we can bring it up. If we go to Exhibit 39 page 75. So this is the bill from S International Group to SNP Security for 31 August. If we go over one page, you can see that it identifies all the guards names and all the shifts and all the sites in respect of this SIG was contracting to SNP for this week.---Yes.

An exercise has been done and there's 80 different names contained on this bill alone.---Right.

So I mean, what do you say, if anything, about the compliance checks that SNP was doing in respect of workers' compensation matters with SIG at the time?---Well, we haven't been doing them properly.

30 How has that changed, if at all, since?---Late 2016 we set up a reduce the risk framework which took away from the account managers and the branch managers dealing with contractors. The only dealings in relation to contractors now are through our head of operational risk and head of compliance in relation to the appointment of contractors. I think, from the evidence I've heard, SIG was appointed by a branch manager. That in future cannot happen.

40 All right. You said it's called a "reduce the risk framework." Was there any such framework in place prior to, did you say 2016 or 2016/2017?---It was late 2016.

Was there any such framework in place as to reducing the risk involving subcontractors prior to that date as SNP?---There was but it was not formalised, you know, this is a more formalised framework.

When you say it wasn't formalised, was anything in writing?---It would have been a policy in writing but, you know, to the detail that it was being adhered to, we also got together probably 80 of our people and ran a

workshop on compliance and governance and that happened in 2017. So making them aware of their obligations under our business.

So this framework came online, when do you say at SNP?---It came in place in around end of 2016/2017.

All right. If we can go to Exhibit 109 please.

MR COLEMAN: Sorry, what was that.

10

MR ENGLISH: 109. All right. This is a certificate of currency again for S International Group. It says the certificate's valid from 31 August, 2016 to 31 August, 2017. This time it says the number of workers covered by this certificate of currency are 30.---Sure.

20

Now you're saying that anything was done, notwithstanding, that the reduce the risk framework was in place by this time to address this issue?---Yes, it was looking at new contractors coming into the business, we had a team, we had a small team of people working through it so they weren't identifying all contracts, that's a process that happens over time. It's also about conversations that were happening with the contractors and the need to have somebody from this team involved in any discipline in the contracts, they have conversations.

All right. Exhibit 37 page 63 please. Email from Ms Lynn Li to Karen Lovell of SNP Security. Do you see that?---I see that, yes.

30

Emails 7 September, 2017, workers' compensation premium. If we go over the page. This time they've got 45 workers. Do you see that?---I see that, yes.

I mean was anything done at this stage to your understanding to query SIG as to why it only had 45 workers on its books, notwithstanding, a year prior it was issuing invoices identifying at least 80?---I don't know, I don't know whether Karen Lovell got in touch with Daryl, I'm not sure what happened with this.

40

All right. What does this say about the effectiveness of the reduce the risk framework at SNP?---I think, as I said, it was looking at new contracts that's coming into the business, it's not something that's going to change overnight in terms of going through all this information.

All right. So does the Commission understand from that answer that it had no role to play, that's the reduce the risk framework in respect of existing contracts?---No, I'm not saying that, I'm saying in terms of it was the work of that team that picked up the issues that resulted in us making the decision to remove SIG from Sydney University. Karen could have contacted Daryl

on this and they turned around and said, oh, I sent you the wrong form. I'm not sure what's happened on it.

How, if at all, do you say that SIG was managed as a supplied by SNP?---I think the fundamental problem is that it was being managed by Daryl and from what we've found out, you know, Daryl was complicit in what was occurring at the university.

10 Ms Willard says in her statement, which can be brought on the screen, it's Exhibit 59, go to page 4, paragraph 14. Ms Willard says at the bottom, she's talking in an email that she wrote to Ms Cooper on 1 September, 2017, "Lisa would've quite a bit to discuss, I don't believe that we've met with them in years, it's probably long overdue as they provide services in excess of 2,000 hours per week to SNP yet we have not really managed them as a supplier." So you just said, it was up to Daryl, and I think the effect of your evidence is we couldn't trust Daryl, or we thought we could trust Daryl but SNP was receiving subcontracting services at other sites and Lisa Cooper was an account manager in relation to those other sites, correct?---She's an account manager, that's correct, yes.

20

Yes. So what was SNP doing to manage SIG at the time, that's 1 September, 2017, notwithstanding it was providing in excess of 2,000 hours per week to SNP of guarding work?---I'll think you'll find the vast majority of those hours were at the university so the work outside of the university was relatively small.

Is the answer to that nothing?---Can you give me the question again please.

30 What was SNP doing as at 1 September, 2017 to manage SIG as a supplier notwithstanding it was supplying over 2,000 hours per week of guarding services to SNP?---Well, we were, as I said, the vast majority of the work as the university so that was being managed on site, we know that was problematic now. We were responding to complaints that we got from the clients, so we obviously got response, complaints from one or two of the sites that SIG were at, and hence the comment Linda has made.

Just bear with me, please, Commissioner. Are you aware of Aaron Lucas?  
---No. I remember he worked at the university but I didn't know him.

40 I might just tender his statement now if I can, Commissioner. It's dated 22 November, 2018.

THE COMMISSIONER: Thank you, that will be marked Exhibit 230.

**#EXH-130 – STATEMENT OF AARON LUCAS DATED 22  
NOVEMBER 2018**

MR COLEMAN: Copy?

MR ENGLISH: I don't have one at hand. It will be brought on the screen. If that can be brought on the screen, please. Exhibit 130. If we go to page 2, paragraph 6, he says that he was previously working for Sydney Harbour Foreshore Authority when he applied for the role with Sydney Night Patrol. Commenced with SNP as a site manager at Sydney University. That was the time when McCreadie was the account manager, I think the evidence is.  
10 ---Sure.

He says, "I was stood down from my role at Sydney University during August 2015 and ceased employment with SNP around March 2016. When I left SNP I was working as a patrol officer." And he says as the site manager he reported to McCreadie and Smith. He was the University of Sydney point of contact. If we go to page 9, paragraph 37, "For overtime, SNP staff went to Tommy. Overtime was another source of contention. The guys would want to do overtime because when they were getting overtime obviously they'd do their normal 38 hours, then every hour  
20 thereafter up to 48 hours is time and a half, and then up to 60 hours is double time. But what SNP did is they said, okay, if you want overtime, you've got to work for Tommy. Tommy didn't pay award rates. He paid 20 bucks cash in hand, so there was a general feeling by SNP staff that SNP didn't want to pay overtime." Do you see that?---I see that, yes.

Do you have any explanation as to how Mr Lucas might have formed that view, or it may have been formed, rather, that SNP said that, okay, if you want overtime, you've got to work for Tommy? And that's Tommy Sirour.  
30 ---You know, as I said before, I don't know where that directive came from. You know, I believe it is, the only, the only rationale behind it is what I heard in terms of Daryl angling work to, to SIG.

If we can have Exhibit 82, page 205, brought on the screen, please.

If we start at 204, actually. This is Mr Balicevac giving evidence on an affirmation before this Commission.---Ah hmm.

If we look at line, starting with line 39. He's asked a question, he says at around line 44, "I can't copy myself in 20 bodies, you know what I mean?  
40 But like in 20 guards, when I actually, when we have, like, information day, because as I mentioned before, we couldn't, myself and Daryl and all SNP guards, they'd have to, they'd been forced to do overtime through SIG." Do you see that?---I see that, yes.

He says, "You don't want to do overtime for SIG, look somewhere else, so we would, we would use a different name to cover the shifts." Then on page 205, if we're there, you can see that Mr Balicevac goes on to say that "If he, if SNP was doing right with us, we would, we'd be on 35 to \$40 an

hour on overtime, so I need to do two shifts for SIG to be able to catch up with what I would get away with in one shift through SNP.” You see that?  
---Yeah, I see. I see that, yes. I do see it now.

So there’s this arrangement in place, do you accept, on the evidence that SNP guards are required to perform their overtime through SIG at the university?---I accept it now but it wasn’t the policy of the company.

10 And you accept that that policy, whether you knew it or not, benefited the commercial interests of SNP because it didn’t have to pay advanced overtime rates to its guards?

MR GIVORSHNER: Well, my friend uses the word “policy” immediately -  
- -

THE COMMISSIONER: Yes, I know, I know, and the witness disavowed that word, so - - -

20 MR ENGLISH: Okay. Well, you agree that what Mr Balicevac is talking about at pages 204 and 205, that is SNP guards having to do their overtime through SIG advantages SNP in that it doesn’t have to pay higher overtime rates to its staff?---Yes, that, that’s correct.

And if it did have to pay those higher overtime rates, it could actually lose money on the contract because I took it to you before, SNP was charging the university firstly 32.57 an hour, which went up I think by April 2018 to around 35.59 exclusive of GST.---I’m not sure whether that’s for the rates in the contract rather than ad hoc rates.

30 This is ad hoc rates, out-of-contract hours. But you’d agree if SNP was paying overtime in respect of out-of-contract hours, and I’ve taken you through some of the scales, it could lose money on an hourly basis if it was -  
- -?---It could, yeah.

- - - paying those overtime loadings.---Yeah. But this, this is not a directive of me. We have hundreds of sites where overtime is paid every day. So this is something very isolated to the university. We have found it on two small sites in regional New South Wales and we’ve now stopped that practice. So my belief is that Daryl and Emir were engineering this for their own benefit.

40 So they were engineering this for their own benefit to be paid less?---Well, I, I don’t know - - -

Is that your belief?---Well, no, in terms of, you know, the more, I don’t know what the arrangement was with Tommy Sirour in terms of, you know, what they would get for more, for the hours that were put through SIG.

Well, but the evidence of Chami, Ms Chami, is that it was in place from 2012. Recall that?---I remember that, yes.

Evidence of Aaron Lucas, who was the site manager with, when McCreadie was there, and I think left in 2016, said it was there when he was involved in the site.---Ah hmm. Ah hmm.

10 And Balicevac's given this evidence as well. So do you accept it seems to have been in place prior to at least the time when this Commission understands the time sheet fraud began?---Well, it appears it does, but, yeah, my understanding of this based on the KPMG report was there was a handful of shifts it was happening and with a handful of guards, not as widespread as it appears to be now.

And you said it wasn't on your implementation. Whose implementation was it, do you know?---I, I, I don't know.

20 THE COMMISSIONER: Have you made inquiries? I'm not being critical, but have you made inquiries to find out where it came from?---I think, I think, you know, it goes back some time. There's various people in the role. The fact this is only isolated to one job, I don't know how it happened, and I think, you know, someone has turned around and said it's the policy of the site, whether they believed because Daryl had put it in, there was an endorsement from the university, I'm not sure.

MR ENGLISH: You're aware, well, are you aware that a fingerprint scanner was trialled at the university of Sydney for SNP guards?---I'm aware of that, yeah.

30 And are you aware that that trial was abandoned and the evidence suggests that part of the reason was because some staff wished to have a gentlemen's agreement about changing their start and end shift times?---I've heard in relation, I didn't know that was impacting on the finger scan. I, I've heard that, you know, you get, time to time you'll get people that will, to avoid traffic or to get home, to drop their kids at school or pick, drop their kids at school, they will alter their shift with their shift partner, opposite shift partner.

40 So what was your understanding then as to why that fingerprint scanner trial was ended?---I think, I think we had difficulty in putting it through, we had several attempts to get it working. I don't know how cooperative Daryl was in terms of working with the team. We had an IT guy that was in the business. He later left the business. We had some integration problems with Microster. I know Linda indicated yesterday that that was not a concern but we had some problems. I think the problem was that we had several attempts, we didn't get it up and running and it, you know, it just sat at the university.

Had that fingerprint scanning trial been effectively rolled out, do you agree it would have out a further layer of supervision over McCreadie's operations at the university?---Yeah, I agree with, I agree with that.

10 Have you got any explanation as to why the use of the fingerprint scanners wasn't insisted upon at Sydney Uni?---Yeah, at that time, we were doing, we were having our regular meetings. You know, in terms of, as far as I'm aware, it never came up. It's something we weren't delivering on. If, if it had have, it would have been something that we would have actioned, we, we didn't get a KPI in relation to it of equipment that we hadn't delivered to the site. I think the problem was that it probably just lingered over a period of time and I have no doubt now that Daryl was obstructive in terms of getting that system in place, as was Emir and, you know, it just all became too hard.

Are you aware of the evidence that an SNP employee, Frank Lu, was being paid by S International Group to perform its rostering duties?---I was only aware of that through the transcripts.

20 And are you aware that Lu says – I withdraw that. Lu said in evidence before this Commission that he obtained approval from McCreadie to do that and it was his understanding that that was then put up the chain by McCreadie to Neil Fields?---I, I don't know if there any truth in that at all.

Well, I'm just asking if you're aware of that evidence.---No, I'm not.

30 Are you aware of Mr McCreadie saying that, in evidence before this Commission that, yes, Lu did raise it with him and he may have raised it up the chain with Neil Fields?---Well, it sounds like he did. Well, I, he's saying he did based on his evidence. He may have he said, I think he said.

Now, that task that Lu was performing for SIG in relation to its rostering duties, would you consider that to be a conflict of interest?---Absolutely.

40 And assuming it was raised firstly with McCreadie and McCreadie raised it with Neil Fields, assuming that occurred, what does that evidence say about SNP staff's awareness of the conflict of interest policy at SNP?---Well, it just shouldn't have been tolerated. It's definitely a conflict of interest. You know, and SNP employee should not be rostering out contractor's employees?

What was Neil Field's position, was he a branch manager?---He was an operations manager, so similar to a branch manager.

And under the SNP conflict of interest policy, Lu's done the right thing, he's raised it with him effective supervisor, correct?---It appears so, yes.

And it appears McCreadie may have done the right thing as well and raised it with his supervisor, would you agree?---Is there any proof of that?

Well, only what they say on oath, only what he says on oath.

MR GIVORSHNER: He said he may have.

THE WITNESS: If he's saying that, he's raised it with his supervisor.

10 MR ENGLISH: And how is that policy distributed and trained throughout guards at SNP, that's the conflict of interest policy?---It was part of their letter of appointment in terms of they can't, I'm sure they can't seek secondary employment without the approval of the company.

So you're right, there's a secondary employment clause but here we have employees that are working for SIG to obtain overtime payments and the University of Sydney. What do you say about any tension between the requirement in the contract and what was happening on-site?---In relation to Lu or in relation to the general guards?

20

No, broadly now in relation to the practice at University of Sydney with SIG guards.---Well, it's, it's a conflict.

And I'll just come back, what does it say about the effectiveness of the deployment of that policy in relation to SNP staff who were working at Sydney University?---Well, there was obviously not enough rigour put in to Sydney University and, and, and, you know, what we're clear of in terms of that, we relied too heavily on the reports we were getting from Daryl and the reports we were getting from Dennis Smith and other at the university.

30

You said not enough rigour put in. Is that in relation to the supervision of McCreadie and his team?---I think the fact that there was rostering done on-site, that has now stopped. All rostering now is done through our West Ryde office. We started bringing, in around probably 2017, we started bringing all the rostering back to our head office, so taking it out of the branches and taking it off sites.

So come back to the question.---Except for Sydney University.

40 Do you accept that there was not enough rigour put in, in relation to the supervision of McCreadie and his team at Sydney University?

MR GIVORSHNER: I think that's already been answered by a statement from the witness.

MR ENGLISH: It wasn't a direct answer, Commissioner.

THE COMMISSIONER: Ask it again.

MR ENGLISH: I'll just bring you back to the question. Do you accept that there wasn't enough rigour put in in relation to the supervision of McCreadie and his team at the university?---Yeah, I think, I think based on the history that we had with McCreadie, the trust that the business had with him, not just the trust that I had with him but the business as a whole, there wasn't enough checks and balances in terms of the answer, or what, the information he's providing the business.

10 Now you spoke of a change in roster practice in 2017, where rosters were taken – were they taken away from USYD and done at - - -?---No, this, this, these things don't happen overnight. We implemented a new rostering platform, Microster and this is what Linda was involved in rolling through the business. So it is removing the systems from the branches. We operate on a national basis and centralising everything through West Ryde, which gives us more visibility in relation to, you know, any compliance issues that may be arising on jobs.

20 Can Exhibit 40, page 78 be brought on the screen, please. This is a personal time sheet of Mr Balicevac's and, in fairness, it's the most egregious example we've been able to come across, where he claims payment in respect of 505 hours for one week. Now, are you aware that the practice that was going on at the university was that there was the site time sheet that was filled out? Are you aware of that?---The site time, in terms of, are you saying the individual time sheets were filled out?

No, for the site, where everyone's name would go in for a particular day?---I believe it would be a document to reflect that, yes, but I never saw it.

30 Sure. This is a personal time sheet that guards would then to the SIG office to claim payment in respect of additional shifts and you can see on this document, on some occasions Balicevac identifies the name that he's signed in, the false names that he's signed in on to the site time sheet. You can see, for example, Lincoln Nock, Yahya Alabdulla, do you see that?---I see Yahya Alabdulla.

Saturday there's a raft of names he's identified.---Oh, okay, yep, yep.

40 And so, and then he also identifies how, on some occasions, that the shifts are to be split, sometimes between him and Frank or him and Daryl, do you see that?---Okay, so, okay, so this is me 72, Daryl 14, total 48, yep.

Yes. Now, again with hindsight, this is a document I don't think SIG had any visibility over, sorry, that SNP had any visibility over because it was just being sent by Balicevac or whoever the guard was direct to SIG. With hindsight, do you think this is a document you should have required be copied in to SNP as well, so SNP was aware of these additional shifts that

were being claimed, assuming of course that the document that was sent was the actual document and not a forgery itself?

MR COLEMAN: Well, I object because the only evidence of these documents being sent from persons like Emir to SIG were the fraudulent ones. That was the whole purpose of their creation.

MR ENGLISH: No, I'm sorry. Balicevac had two forms of forgery unfortunately. He has one that he'd share with Daryl and then one that he'd use for his own purposes. That's what I meant. - - -

THE COMMISSIONER: These are personal time sheets, aren't they?

MR ENGLISH: That's right.

THE COMMISSIONER: They're not site time sheets.

MR ENGLISH: That's right.

20 THE COMMISSIONER: So it would never have gone to SNP.

MR ENGLISH: That's right and if SNP was aware of the practice whereby its staff were performing overtime duties through SIG, the question to this witness is whether SNP should have had an interest in requesting to see these sort of time sheets to know what their staff were doing, the amount of hours?

THE COMMISSIONER: Well, it wouldn't have been handed over I don't think, would they?

30 MR COLEMAN: No. It would have been reflected in the site time sheets.

MR ENGLISH: Under a false name.

MR COLEMAN: No, no, no. See, that's the whole problem with the line of questioning because the very reason for the creation of these particularly time sheets was to perpetrate and document exquisitely the fraud that was being perpetrated and they wouldn't have been passed on but for the fraud.

40 MR ENGLISH: Well, let me ask this. Are you aware of a practice at some sites that guards provided a personal time sheet to the office to identify how many hours a week they've worked?---When you say some times, are you saying some of the university locations?

No, I'm saying with other subcontractors that you may use through SNP, whether there's a practice that you know of for guards to send personal time sheets such as this for the purposes of payment to the office.---Like individual guards.

Yeah.---Not the principal or the subcontracting company?

Yes, individual guards.---No, I'm not aware of that practice.

I just want to ask you about the issue of line marking.---Ah hmm.

10 Are you aware of a proposal that McCreadie and Balicevac sent to SNP to perform those duties directly as a subcontractor to SNP?---I'm not aware of it. I, I don't know whether I was copied on an email in relation to it but definitely when I heard about it I couldn't believe that they'd even entertained the idea.

Sorry, that who even entertained the idea?---Well, that were putting it forward.

If you can go to Exhibit 67, page 319. As you can see, this is an email from Daryl McCreadie to Phillip Tansey - - -?---Ah hmm.

20 - - - copying in Balicevac.---Ah hmm.

Who was Phillip Tansey?---He was the, the branch manager.

As you can see in the first paragraph, "Emir and I would like to approach SNP to be considered as an in-house resource for small line marking jobs at the university."---Ah hmm. Sure.

There's some background and then a proposal is provided.---Ah hmm.

30 Where really a sales pitch is included as to the improvements in gross profit figures that SNP could earn if Balicevac and McCreadie were granted this approval. If you can go to the next page, please. You can see under Compliance McCreadie says, "It's understood that disclosure to the university will have to be made and that we would set up an ABN for the end of month invoicing which would include a subcontractor's statement and copies of insurances."---Ah hmm.

40 He says, "I look forward to any comments SNP may have regarding the proposal and if need to be, sit with yourself or Tom to discuss it."---Ah hmm.

Was this proposal raised with you at any time?---I don't recall it being raised with me.

If we can go, please, to page 346, you can see Mr McCreadie sends an email to accounts payable - - -?---Ah hmm.

- - - on 8 December, 2017 copying in Mr Tansey.---Ah hmm. Ah hmm.

“Hi accounts. Please find an invoice attached for line marking at University of Sydney. I’ve also attached at 2017 budget showing the invoice amount and the amount SNP deducts from the overall budget to take account for all accounts. Kind regards, Daryl.” And if we go over the next page you can see McCreadie’s, or there’s a creditor ID of McCreadie. Do you see that?  
---I see that, yeah.

10 It seems he’s been set up on a system so he can act as a subcontractor to SNP in respect of this work.---Ah hmm.

Do you accept that?---I can see that, yes.

Now, McCreadie gave evidence that this was approved by SNP, notwithstanding he didn’t have any trade licences at the time.---Ah hmm.

20 If I can just take you to Ms Willard’s evidence on this. Transcript page 989.6. I took her to the proposal that I showed you and I said, “What would have your response been to that?” And she said, “No, they’re not professional painters, and no, they’re management, they, oh, I would reject it 100 per cent. I would, I would say this is laughable, you can’t do this.”  
---Ah hmm.

Would you agree that that proposal of Mr McCreadie’s and Mr Balicevac’s should have been rejected 100 per cent?

30 MR GIVORSHNER: Well, what my friend has done here is to sort of jump around several documents which are on the screen for a few seconds and then removed and don’t really paint the whole picture, because when Exhibit 67 was on the screen, which was the initial proposal from Mr McCreadie, there was a paragraph called Proposal which is that they intended to use a company which appeared to be a company of professional paints. There was also a declaration that McCreadie realised that the university would have to be notified. So it appears to be, however ill-advised, not on its face at least dishonest or corrupt. So I think if my friend is going to ask for comments that the witness ought to have an opportunity to digest the whole of the document which is Mr McCreadie’s proposal, rather than edited highlights from my learned friend.

40

THE COMMISSIONER: Sure. Fair enough.

MR ENGLISH: Sure. If page 319 can be brought back on the screen, but perhaps I can shortcut it this way. Do you see any conflict of interest in McCreadie and Balicevac being site manager and 2IC at the university being approved to perform line marking duties at that site?---Yes, I would have seen it as a conflict.

And if this proposal had been brought to your attention would you have approved it or said, no, it shouldn't be allowed to go ahead?---I would have, I would have said no, don't push it ahead. But are they doing line marking, the entire line marking or they doing touch-up marking or what, do we know?

10 They're doing small jobs.---So to go through and do the absolute line, I don't know what a small job involves, whether it is patching a bit of bitumen that, you know, marking that's been replaced by a tradesman or whatever.

What difference does it make?---Well, I'm just asking you, that's all, in terms of - - -

20 Well, what difference would it make if they were just patching up bitumen or they were doing a large job at the university?---I'm, I'm, I don't know where this whole idea has come from, whether, you know, they've indicated they've got to get approval from the university, they've probably spoken to Dennis about it before they sent this through, but it is a conflict to me.

Okay. And given that it was approved, and it's on the page, if you want to read the proposal, by all means read it, and we can go over to the next page. I'm happy to leave it there.---Sure.

Do you want some time to do that?---No, I'm happy to go to the next page. Okay. So he talks about very small jobs, installing no standing, loading zones, yeah, okay.

30 Okay. So what does this event say about SNP's compliance, function and adherence to its own conflicts of interest policy, if anything?---Well, I don't know who set up the authority for the invoice to be paid. It was probably within Phil Tansey's ability to approve invoices of this size. I'm not sure what's, how this has come about.

Well, what does it say about Mr Tansey's ability to adhere to SNP's conflicts of interest policy, do your understanding?---Well, he's, he's not adhering to it.

40 Okay. And was your evidence he's as branch manager?---He, for a, for a short period of time, yes.

And is that a fairly senior management position?---Yeah, he had responsibility of, you know, many, many sites.

Fatigue breaches are a big issue at SNP, would you agree?---Certainly at the university on the evidence I've seen so far.

You'd agree that – sorry, maybe it was my question. So the detection or – I withdraw that. Ensuring there are no fatigue breaches at any of SNP's sites I would assume is an important issue for SNP.---It is, yes.

Now, in particular, fatigue breaches were identified on a number of occasions as occurring at the university sites.---Ah hmm.

If we can go to Exhibit 108, please.

10 THE COMMISSIONER: Who's the master licence holder at SNP?---The master licence holder? In terms of the individual?

Yes.---I think it still falls with myself.

MR ENGLISH: Is that the position of, is the master licence holder the company and you're the associate?---The company, yes, I'm a close associate, yes.

20 And is that the statutory position?---Let me, let me go back and clarify in terms of what's happened with the sale of the business.

Sure. Sorry, oh, sorry, you don't know at the moment.---I'll, I can, I can provide that, I can provide that exact information to you. Yeah, the owner of the business is the Certis Group.

So if we just have a look at this email here that's on the screen, if that can be increased, please. That's Exhibit - - -

30 MR COLEMAN: Sorry, can I just clarify. Commissioner, if you want that information, do you want to know it at the time of the events or do you want to know now?

THE COMMISSIONER: Now.

MR COLEMAN: Now. Thank you.

40 MR ENGLISH: See there it's an email from lynn@sigservices to someone Matthew. Unfortunately there is no more detail there. It's signed off by someone Sue, who's the accounting assistant. She says, "I received a call from Kerem Akkan this morning, and from his saying SIG needs to pay Kerem any hours that's beyond 96 hours per week. Do you see that?"---Ah hmm. I see that.

"For last week he worked 100 hours, which means SIG needs to pay four hours to him. However, we didn't include that in last week's invoice. Would you please advise that." So would you agree this is an email saying that Mr Akkan's worked 100 hours in one particular week?---I'm not sure

whether that information is a hundred per cent accurate. Did you show this to Linda, this same email to Linda yesterday?

Yes.---Okay. She believes it's over a fortnight. She went back and checked it yesterday.

Well, if there's some record that can be produced to verify that, we'd be grateful to have that.---Sure, okay. All right, sure. Okay, we'll do that.

10 Thanks. There became a time when Mr Smith contacted you I think in around April 2018 to take steps to either put on hold or reverse a decision that SIG be removed as a subcontractor at the University of Sydney. Do you recall that?---I recall that, yes.

Can you tell the Commissioner about those circumstances, please?---How far back do you want me to go?

MR GIVORSHNER: A little bit of specificity in the question might help to  
- - -

20

MR ENGLISH: Well, as soon as you had dealings with Dennis Smith in relation to that issue.---As soon as I read his email?

Is that the first time you had discussions with Dennis Smith in relation to the possibility of SIG being removed as a subcontractor?---Yeah, we made a decision there that we were removing SIG as a subcontractor.

And the first notice you say you had was of an email, was it?---The first contact he had with me on that was an email, yes.

30

He didn't call you before that?---Not that I believe. I, I was overseas at the time. I was in the Singapore office of Certis. I, his email was the Thursday. I was flying back. I was in the office on the Friday. I didn't pick his email up until I was on a flight going back to Singapore on a Sunday, and I responded, I believe I responded on the flight.

If we can have, please, Exhibit 36, page 340 on the screen. So this is the email I think you're referring to, which Mr Smith sent to you at 12.24pm. ---Ah hmm.

40

You're familiar with the contents of that email?---Yeah, no, I know that email.

Now, had you had dealings with Dennis Smith prior to receiving this email on 12 April, 2018?---Prior to 12 April, I don't believe so. I, I'm almost sure I had - - -

You'd never met him before?---Absolutely, I knew him well.

Sorry. Well - - -?---I thought you meant in terms of a conversation leading to this email.

No, no, no, no. When you'd met him can you tell the Commission what the circumstances were, just of a general nature? When did you meet him?  
---I would have met Dennis shortly after he was appointed to the university, so in 2015.

10 And where was that at?---It would have been at the university security open area.

Your counsel asked some questions about meeting him down in Canberra at a function.---Yes.

Is that another occasion you met him?---That was another occasion I met him, yeah.

20 Have you ever met him socially, other than that occasion in Canberra?  
---No, I don't believe so.

And did he from time to time call you boss?---He may have, but you know, it's sort of, I don't recall that. You know, he might have referred to it but it's something I certainly didn't encourage in any way.

Well, if you see, looking at page 340, you wrote an email to Mr Smith on 15 April at 10.42pm - - -?---Ah hmm.

30 - - - saying, "Hi, Dennis. Just to let you know, we've put a hold indefinitely on our plans to change contractors at the university."---Ah hmm.

Do you see that?---I see that, yeah.

If we can please go to Exhibit 92, and can we go to page 18, please. It's an extraction report from Mr Balicevac's phone.---Ah hmm.

40 You can see on 9 April, 2018, Mr Balicevac sends a message to Mr Smith saying, "SNP called Tommy that is removed from Sydney University." Do you see that?---I can see that, yeah.

3.49.---Ah hmm.

Mr Smith says in response, "Oh, we see tomorrow."---Yeah.

And then he says, "Big man o to it." I think that's on to it.---Right, okay. Oh, Dennis is referring to himself as a big man?

That's one interpretation, yes.---Sure, okay.

Then you can see there's an entry at the bottom of the page, 13 April, 2018.  
---13 April, yeah.

3.54.42.---Ah hmm.

Smith says to Balicevac, "Tom put hold on swap subbie."---Ah hmm.

10 Just reading that, does that jog your memory that you might have had a conversation with him about this issue prior to 15 April, 2018?---In terms of my reply?

No, no.---What was - - -

That's Smith sending a message - - -?---Yeah, I know, I know, sending, sending it to - - -

20 Yes. So if we go back to, so just read that message, because I can't put two on the screen at once.---Yeah, yeah. "Tom put, on swap subbie."

"That is a start. Dazza going to tell Tommy, tell him act now." Do you see that?---Yeah, yeah, yeah.

So your email to Smith was 15 April, 2018.---Okay, sure.

At 10.42.---Sure, sure.

So a couple of days before that.---Yeah, yeah, course, course.

30 So - - -?---I don't recall speaking to, to Dennis about this on the 13<sup>th</sup> of the 4<sup>th</sup>.

Okay.---I was, I'm sure I was in Singapore at that time. And I would have thought if we had have had a conversation why would he need to follow it up with such a direct email.

No, well, he's sent you the email on the 12<sup>th</sup>.---Oh, sorry, on the 12<sup>th</sup>. Okay, yeah, okay.

40 So then he's reporting on the 13<sup>th</sup> that, well, it seems to be that he's had a conversation with you, and then you provide your email back to him on the 15<sup>th</sup>.

MR COLEMAN: That's not what it - - -

MR GIVORSHNER: It doesn't, it means that he's - - -

MR COLEMAN: We've been through this chronology with the other witness (not transcribable)

MR ENGLISH: All I'm trying to do is help the witness with the chronology here.

MR GIVORSHNER: It also – I'll let my friend finish.

10 THE COMMISSIONER: Well, hang on, how many objections have we got here?

MR GIVORSHNER: I'll let Mr Coleman go first.

MR COLEMAN: No, no, I'm done.

MR GIVORSHNER: Well, it doesn't mean that this witness had a conversation with Smith, it means that Mr Balicevac found out from somewhere, that's all it means.

20 MR COLEMAN: I thought we, the chronology the other day, I can, if you want the witness to go outside, I can tell you what it is.

MR GIVORSHNER: No, no, of course not.

MR COLEMAN: The evidence seems to indicate that Mr Roche spoke to Fawad or the SNP person who emailed Daryl who emailed Dennis who spoke to Tommy who spoke to Emir - - -

30 MR ENGLISH: My friend might be right, I withdraw that. I thank my friend for that, I'm grateful. If we just go back, if we go to Exhibit 36, page 328. You can see that McCreadie sends a message to Smith with your work number as subject heading, if we go over to 329. He says, that is Smith, 11 April, "didn't get a chance to call Tom yet."---Okay.

So your recollection is you had no conversation with him?---I had no conversation with, yes.

40 Okay. If we just go back to 340. I think your evidence was you responded to this email on the plane, did you?---I remember, yes, I suppose, I had the email for a couple of days before I responded so I'd missed it between coming back on the flight, being at work the next day, I would have had a number of emails on there and I flew again on Sunday on a day flight, I would have picked it up on the plane. I'm not, I'm sure I was on a Qantas flight so there wouldn't have been Wi-Fi so I probably sunk when I arrived.

All right. Tell me this, we can see on 341 what McCreadie – I withdraw that. What Smiths request of you and the paragraph, given all the above I'm requesting business as usual for this university in terms of the ad hoc

supplier. Was there anything in this letter, in particular, that lead you to agree to his request for - - -?---Only that I was away, it wouldn't have been too difficult him being aware that I was going to be away, I was going to Singapore, then I was taking a week off, I went to Europe for a week. My son was studying at university over there and I wasn't going to be back in the country until the end of April. So this was giving Dennis the assurances that he was aware of the timeframe I was out of the country that, you know, do nothing until I return. I caught up with him.

10 So you do, you say you put hold on indefinitely on page 240.---Indefinitely, his email was very direct, that's the way I read, in terms of the instruction to me and my, it was wait till I get back and then we'll come and see you.

All right. If we go to the final paragraph on 341. So I've not received an official email request to exceed to the new supplier but realistically for this site, University of Sydney I don't want to get it and have to answer it in official capacity and send it up the chain. What did you understand McCreadie - I withdraw that. Smith was conveying by that paragraph? ---We probably hadn't advised him that we were changing contractors.

20

Pardon?---That we hadn't advised him that we were changing contractors, he hadn't received it from me or I'm not, that's what I read into it. The other thing is, if he had to go up the chain there's going to be problems.

You see, still on 341, the second last dot point.---Yes.

I do not personally know the owner of S International.---Yes.

30 Do you know whether that was a true statement of Smiths?---I don't know.

You see the dot point at the top of the page, there has not been one breach of KPIs for operations guarding at this site since the inception of the contract in 2015.---I see that.

Did you know whether or not that was an accurate statement, do you have a view on that?---No, that was defiantly an accurate statement.

40 Commissioner, we're close to the end of the day, I wouldn't mind an indulgence for the last seven minutes to think if I've got anything further for the witness tomorrow morning.

THE COMMISSIONER: You can't finish him this afternoon?

MR ENGLISH: Some other people can ask questions but I might, I might think about things after I've read the transcript overnight and ask things again. That's the only disadvantage I might place people in.

THE COMMISSIONER: What do you say, Mr Coleman? Would you prefer him to finish, because if so, we'll adjourn now.

MR COLEMAN: Of course it's not, Mr Givorshner acts for Mr Roche but we have allied interests, I accept that. There are some matters I do want to consider. I'd like to look at some of the statements, particularly that had been tendered today in that Mr Lucas' was a 43 page statement, I don't know whether there's anything else in there which would generate questions of Mr Roche. I'm content for you to adjourn now, Commissioner.

10

MR GIVORSHNER: I never say no to early mark, Commissioner, in terms of, I don't anticipate I'll be very long.

THE COMMISSIONER: No, I anticipate your client's a busy man though, he's going to have to come back, he's going to have to come back, I'm sorry about that.

MR GIVORSHNER: That's fine.

20 THE COMMISSIONER: All right. 9.30 or 10.00.

MR COLEMAN: 10.00 please.

MR ENGLISH: I'm getting conflicting request.

MR COLEMAN: Can I just ask through you to my learned friend, so tomorrow we have Mr Sullivan?

30 MR ENGLISH: Mr Sullivan, Mr Roche, Mr Sullivan, Mr Vitanage, Mr Owens, I'm told we've been able to locate Troy Swadling, Commissioner, so he'll be coming in and potentially Wayne Andrews as well might be on tomorrow so 9.30 I think definitely.

MR COLEMAN: Does Mr Swadling have a statement, if so, can we have it? No.

MR ENGLISH: Pardon?

MR COLEMAN: I wanted to know whether Mr Swadling had a statement.

40

THE COMMISSIONER: I don't think so.

MR ENGLISH: No, no, he doesn't.

THE COMMISSIONER: There's a possibly isn't there, that Morgan Andrews might have to come in subject to what Mr Smith wants to do.

MR ENGLISH: That's right. There could be request for Morgan Andrews to brought in.

THE COMMISSIONER: All right. Okay. 9.30 It's looking as though it might finish on Thursdays?

MR ENGLISH: I think that's right.

THE COMMISSIONER: All right. I'll adjourn until 9.30.

10

**THE WITNESS STOOD DOWN [3.57pm]**

**AT 3.57 THE MATTER WAS ADJOURNED ACCORDINGLY [3.57pm]**