

KEPPELPUB00848  
02/10/2020

KEPPEL  
pp 00848-00924

PUBLIC  
HEARING

COPYRIGHT

INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE RUTH McCOLL AO  
COMMISSIONER

PUBLIC HEARING

OPERATION KEPPEL

Reference: Operation E17/0144

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON FRIDAY 2 OCTOBER, 2020

AT 9.30AM

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: Yes, Mr Robertson.

MR ROBERTSON: Commissioner, today there's a program of three witnesses. I'll first call Mr Tim Lakos, former Head of Investment at Country Garden Australia Pty Ltd. Next I'll call Jock Sowter, former Parliamentary Liaison Officer to the Honourable Melinda Pavey. And finally, Ms Sarah Hill, former CEO of the Greater Sydney Commission.

THE COMMISSIONER: Yes.

10

MR ROBERTSON: I call Tim Lakos.

THE COMMISSIONER: Mr Lakos, please stand.

MR LAKOS: Yes.

THE COMMISSIONER: Do you wish to make an affirmation or take an oath?

20

MR LAKOS: I'll have an affirmation, thank you.

THE COMMISSIONER: Very well.

THE COMMISSIONER: Please be seated. There's some water there and also there should be a glass, Mr Lakos.---Thank you.

Ms Gleeson, have you explained Mr Lakos' rights and liabilities under the Independent Commission Against Corruption Act to him?

10 MS GLEESON: I have, Commissioner. He seeks a declaration under section 38.

THE COMMISSIONER: Very well. Thank you, Ms Gleeson. Mr Lakos, please listen very carefully to what I'm about to explain to you. As a witness you must answer all questions truthfully and produce any item described in your summons or required by me to be produced. You may object to answering a question or producing an item. The effect of any objection is that although you must still answer the question or produce the item, your answer or the item produced cannot be used against you in any  
20 civil proceedings or, subject to two exceptions, in any criminal or disciplinary proceedings.

The first exception is that this protection does not prevent your evidence from being used against you in a prosecution for an offence under the Independent Commission Against Corruption Act, including an offence of giving false or misleading evidence, for which the penalty can be imprisonment for up to five years. The second exception only applies to New South Wales public officials, and I don't understand you to fall into that category.---No, not at all, no.

30 I can make a declaration that all the answers given by you and all items produced by you will be regarded as having been given or produced under objection. This means you do not have to object with respect to each answer or the production of each item. And I gather from your counsel that you wish me to make that declaration.---Yes. That's correct. Thank you.

Very well. Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by this witness and all  
40 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, and there is no need for him to make objection in respect of any particular answer given or document or thing produced.

Yes, Mr Robertson.

MR ROBERTSON: Can you state your full name please, sir?---Timothy Peter Lakos.

And you were the Head of Investment at Country Garden Australia Pty Ltd between February, 2016, and March of 2018, is that right?---Yes, that's correct.

You're now the Director of Business Development at China State Construction Engineering Corporation Ltd?---I am, it's, it's actually trades as China Construction Oceania in Australia.

10 When you were the Head of Investment at Country Garden Australia Pty Ltd, you were responsible within that organisation for land acquisition and investment, is that right?---Yes.

Do you know Mr Daryl Maguire?---I do.

20 How did you first come to meet Mr Maguire?---I was, I met Mr Maguire in my first week at Country Garden. I was introduced to him by the then CEO of Country Garden at a meeting in Mr – the, the then CEO was, his name was Johnson Zhang, and there was a meeting that involved Johnson and Mr Maguire and a, a, a number of the team members of the investment group.

As you understood it, how did the previous CEO know Mr Maguire?---I don't know under what circumstances they met, but it's my understanding that Mr Maguire was there because of his involvement with a – I never get the name right, but it's like a, a, a group that's encouraging business between New South Wales and, and Chinese companies. It was a government-sponsored group. Like a, sort of like a chamber of commerce.

30 So as you understood it, at least before you became the Head of Investment at Country Garden Australia Pty Ltd, what was the relationship between Mr Maguire and Country Garden Australia?---Prior to that, I think Mr Maguire had been working with Johnson, and the team to find and identify and secure sites for development.

So prior to your employment in Country Garden Australia, is it right to say Mr Maguire was at least providing some assistance to that organisation, as you understood it?---Yes, yes.

40 Doing things like identifying potential sites for investment?---Yes, I understand that. In that meeting Mr Maguire was expressing some frustration that he hadn't been able to make progress with Country Garden.

And Mr Maguire continued to play a role of that kind while you were the Head of Investment. Is that right?---Yes.

And at least before you were Head of Investment, what was your understanding of the nature of the relationship between Country Garden and Mr Maguire? Was Mr Maguire in the nature of a consultant or was he just

assisting in his capacity as an MP or what was that position as you understood it?---I think he was just assisting in his capacity as an MP.

And so at least as you understand it, it was a purely public role as part of his public office that Mr Maguire was performing. He wasn't seeking to cultivate his own business interests, at least in the time before you were part of Country Garden Pty Ltd?---Not, not that I was aware of, no. No, not that I was aware of.

10 I think you said you first met Mr Maguire in about your first week or so of the job.---That's right.

Can you recall where the first meeting took place?---In the office of Johnson Zhang in, in Country Garden's offices at 233 Castlereagh Street in the city.

And so Mr Maguire came to Country Garden's office for that meeting?  
---Yes.

20 And what was the subject matter of that meeting, what was discussed at that meeting?---I think there had obviously been some preceding discussion about sites, and Country Garden was in the habit of changing direction with the sort of sites they were after, but they were such a large successful company, their strategy seemed to change with some frequency, and I'm not clear as to exactly which sites were the subject of any discussion, but whatever happened they hadn't proceeded, and Daryl was expressing some frustration that they hadn't proceeded. So clearly there had been discussion about other sites by - - -

30 What do you understand by the term, the Campsie project, C-a-m-p-s-i-e?  
---So Campsie, there were two projects that I'm aware of that Mr Maguire put to us. One was at a meeting that I had with Mr Maguire and a developer, maybe five or six weeks after the first meeting.

Who was that developer?---A fellow called Charlize or Charbel Demian.

40 D-e-m-a-i-n [sic] I think it is.---I think so. I'm not sure. And that was a site that was, that he obtained. We were, at the time we decided we wanted to try and acquire apartment sites that had development approval in place because that speeds the process, you can start work quickly on producing the development, you know, whereas planning and development approvals can take a long time and they're fraught with risk. And that was a site that did have its development approval in place. We had a, it was introduced at that meeting. There was another gentleman at that same meeting, which I might add was conducted in the coffee shop of the office building where Country Garden had its offices at 233 Castlereagh Street.

Are you referring to the first meeting now or are you referring to another meeting?---Second meeting. Sorry, am I - - -

No, that's fine. The second meeting at the coffee shop.---Yeah.

Keep going.---Yeah, sorry. And that was the meeting at which that project was, was discussed.

When you say that project, are you referring to the Campsie project now?

---The Campsie project, yes. There were - - -

10 Did Country Garden agree to pay any fee to Mr Maguire or anything else by way of remuneration in connection with being introduced to either that project or any other project?---No.

So what was in it for Mr Maguire, as you understood it, as Head of Investment? He's by the sound of it presenting potential projects to Country Garden, why is he - - -?---I understood him - - -

- - - spending his time in doing that exercise?---I understood him to be discharging his duties to the parliamentary committee that he was a part of.  
20 It was promoting business between Chinese and Australian businesses.

But you didn't understand Mr Maguire to be the relevant local member for the Campsie area for example?---No, I knew he was the Member for Wagga.

And so what, as you understood it, was Mr Maguire's interest or involvement in the particular projects to which you've now drawn attention?  
---He, as I said, he had that Asia Pacific, anyhow, some sort of, and he was head, appointed by the New South Wales Government to, to run that, to try and encourage investment by Chinese companies in, in New South Wales sites and work with New South Wales businesses and I understood that was his motivation.  
30

Could you be referring to the New South Wales Parliament Asia Pacific Friendship Group?---I think that might be the name, yes.

And so what, you understood it that as part of Mr Maguire's public functions he had some role in relation to the Asia Pacific region. Is that right?---I understood through that, that appointment, yes.  
40

And Country Garden Australia Pty Limited is a subsidiary of the Chinese organisation referred to as Country Garden. Is that right?---Yes.

I think it might be referred to as Risland now. Is that right?---Yes, since, they've changed their name recently. Not during the time I was there.

But are you saying, as you understood it, Mr Maguire's interest in development in relation to the projects you referred to so far was associated

with that role as someone responsible or having some duties in relation to the Asia Pacific region, rather than some personal interest or indeed some other interest?---Yes, that was my understanding.

And did that remain your understanding in all of the time that you were Head of Investment in Country Garden Australia?---Yes.

10 Are you saying there was never any discussion, either directly between you and Mr Maguire or indirectly through some intermediary, the effect of which would be that Mr Maguire would stand to gain personally in the event that any project that he presented to Country Garden might end up being successful?---That was not discussed with me by anyone.

Whether directly, indirectly or in any other form?---Yep.

20 And so are you saying, as you understood it, throughout that period of time, Mr Maguire was just performing a public function with a view to attempting to have development projects get off the line, rather than any attempt to make any profits for himself?---That was my understanding, yes.

In terms of your communications with Mr Maguire in relation to the projects you referred to so far and the others, what methods of communication did you use? I take it there'd be emails, there'd be telephone calls, things of that kind?---Emails, telephone calls, we met irregularly to discuss business, we talked about lots of things, cars in particular, we had a common interest in cars, but yeah, it was a - - -

30 What about apps on telephones like WeChat or WhatsApp or anything like that?---Yes, yes, WeChat was in use, yes.

That would be a regular way you'd communicate with Mr Maguire?---Not the most common way, no. More telephone calls or face-to-face meetings.

Occasional meetings, things of that kind?---Yes.

40 In terms of your understanding as to why Mr Maguire was presenting potential development projects to you, what was the basis of that understanding? Did Mr Maguire explain to you, this is why I'm interested in, or how did you draw the inference that Mr Maguire was involved by way of public duties rather than by way of private duties?---I think Mr Maguire, I'm not exactly sure how he met the people whose sites he was introducing to us, but he had a, he seemed to have a good network, and I think that the people whose sites he was introducing would benefit from us purchasing the site, and we would benefit from acquiring the site if we were able to acquire it and develop it successfully, and that, that, and in doing that I think he was discharging his duties in that capacity that we mentioned.

Are you saying that's just an inference that you drew from the circumstances rather than Mr Maguire saying anything to you about it specifically?---I think it was probably more inference but I think there were probably, I can't be specific, but I think there was comments about being positive to, to achieve the outcomes of these things, yeah.

10 You referred to Mr Maguire having some role in relation to the Asia Pacific region. How did you understand Mr Maguire to have a role of that kind? Was it something he told you or did you - - -?---I understood it to be - - -

Is that something he told you or is that something that you inferred from some other information?---No, it was, it actually, I think part of the way through the meeting, the very first meeting with Johnson, that, that came out, that that was the nature of the contact.

20 So you mean Mr Maguire explained that he had some role in the Asia Pacific region during the course of the meeting?---I think he said that there was this Asia, well, I forget, that, yeah, that term, and that Guangzhou – which is the, is also the main city of our company's head office – and Sydney were sister cities and there was a sort of relationship that way.

So is it right, as you understood it, Mr Maguire had Asia Pacific responsibilities and was therefore engaging in communications with an organisation that was a subsidiary of an Asia Pacific holding company, is that the idea?--- Country Garden Australia was a wholly owned subsidiary of Country Garden in China, yes.

30 But is that why, as you understood it, Mr Maguire was seeking to work with you?---Yes, we were a Chinese company and he was seeking to promote business between a Chinese company and Australian companies.

Is that why you say you drew the link between Mr Maguire's public functions, having someone to do with the Asia Pacific region, and your company in particular?---I don't know if he was limited to our company in particular or not but, yes, that was the reason why there was a link I believe.

40 Now, is it right to say, based on what you've explained so far, that over time Mr Maguire presented a number of potential projects to Country Garden? ---Yes. Yeah.

It wasn't just one or two, it was a number of different potential opportunities for Country Garden.---There were only sort of three that I think we had, oh, or four actually, that we had any kind of a look at, but I think there were discussions about others. Well, we were pretty active in the marketplace, and quite often like, you know, people would come up, come to us with a project, we've already seen it and dismissed it or done something with it.

And can you just identify those four? I think you referred to one that Mr Demian may have been involved in?---Yes.

What are the other three?---There was another one in Campsie. I think, I think the, I'm struggling to remember the name of the developer. I think it might have been someone whose first name was Joe. And that was also in Campsie on, on the main drag, and - - -

10 Does the company J Group ring a bell?---Yes, could be, yes.

And does the name Joe Alha ring a bell?---Yes, yes, it does.

So you think that was the individual associated with the other Campsie project, as best you can now recall?---I'm not absolutely certain, to be honest, but it could well be.

20 And what are the other two projects that you can immediately think of? ---Well, there was another one that Demian had that was introduced at the same time as the Campsie, which was at Warrawee. And, and then there was some land that I had a meeting with Mr Maguire and two gentlemen who, I'm sorry, whose names I really can't recall, but they had some land in the Wallacia area, and it was just really not developable. So the discussion didn't last very long.

Any more other than those that you've identified?---Oh, I'm sure Mr Maguire ran other things past me at different times, but I, I, I was probably look, looking at, I looked at hundreds of projects during the time I was at Country Garden, and I don't have specific recollections of other ones.

30 What about land in the vicinity of Western Sydney Airport?---There was land in - we, we had a, a, an absolute brief from the chairman of the company to acquire land in that vicinity. I, I don't recall Mr Maguire offering us land in that area, but a, a fellow who we had been introduced to by Mr Maguire, William Luong, did come up with a, a couple of sites in that area that we looked at.

40 And you were in fairly extensive negotiations with Mr Luong about potentially acquiring that site on behalf of Country Garden Australia Pty Ltd, is that right?---There was, there were two sites that I recall. One on Elizabeth Drive, that was owned by the Medich family, and we did try to buy that site. We, we actually engaged Mr Luong to act as a buying agent for that one. We agreed to pay him a, a fee should the acquisition be successful, but we were out-bid by another development company, and didn't acquire that site. And there was a, some other land that was owned by the Waterhouse family, that Mr Luong introduced to us, and, near the airport, and we quite liked the look of that land, but on investigation, established that it was under the proposed acoustic footprint of the new airport, and therefore not, not suitable for residential development. And,

and we were really residential developers, so in the end we decided not to do anything with that.

Do you agree, though, that Country Garden came fairly close to acquiring that land albeit there was reasons why it decided ultimately not to acquire it? ---No, we, we didn't really get close at all. We looked at it and, and it was, it, it, it, it was a, a good piece of land in many respects, but the, in the end, I mean, we, in the end we, we just decided that it wasn't going to work for us. You know, even if, even if you were able to get some sort of a, an alternate zone that might let you do some sort of residential, which I, I doubt that you would, you're then going to be competing with other estates, and there were many proposed developments in the area, that didn't have aircraft noise, so it would have been a disadvantage. And Country Garden was very careful with its brand. It didn't want to – a lot of decisions to buy or not buy a site were based on whether or not it was good for the brand, and that wouldn't have been good for the brand.

What if a mixed-use form of zoning would be available in relation to that land you're now referring to, would have that been sufficient?---No. Not in the end. We, we, we considered, I think we considered that briefly, but no.

And other than the concern about the ability to use that land by way of residential development, were there other impediments in the way of purchasing that particular bit of land?---Oh, well, the, there, the Waterhouse wanted way too much money for it, and that was an impediment. There was a – oh, it, it wasn't well connected to the road system, but there were, there was a, at the time, there was a proposal to change the position of the Old Northern Road. I think that was happening anyhow as a part of the upgrading of that road for the airport and, or the area generally, the whole area was growing or seemed to be growing very rapidly at the time, and so there was a suggestion that road might, might be able to move closer to their land, but to be honest, for a residential estate, as long as you can get, you know, reasonable visibility and access it wasn't a make or break.

So is it fair to say that in terms of impediments for that deal to be able to go across, one is the suitability of the site for residential development?---Yes.

That's both in terms of physical location and in terms of zoning. Correct? ---Yes. Well, the land wasn't zone for that purpose, yeah, it had to be rezoned.

That's really my point. An aspect of ensuring that it's suitable for residential development is not just where it's physically situate, it's whether or not the zoning would permit residential development. Do you agree? ---Oh, yes, that's correct.

Another aspect was the price, as it will be in any job.---It was crazy, yeah.

But you got relatively close in terms of price, didn't you?---I don't think we ever really made a, made a firm offer on that land, I think there were discussions, I don't recall there being a written offer for that land.

10 But Country Garden was at least prepared to look at figures exceeding about \$310 million for the site. Does that ring a bell?---Look, that's possible but I don't, I don't recall specifically. I think really when we found out about the acoustic footprint and its implications, you know, as I said, we were under clear instructions to buy land in that area or the Badgerys Creek vicinity and it had been pretty hard to find land to buy, there was a lot of people doing the same thing, there was quite a bit of a, there was a bit of a land boom on I think, a lot of people trying to buy land and around the new airport, so we struggled to buy land there. That's when we – we never managed to in the end buy any land in that area.

And just to try and exhaust the impediments, I think you said - - -?---Sorry.

20 - - - one of the other impediments was or potential impediments was the position of the road and the access to The Northern Road.---Yes, it wasn't ideal.

And was another potential impediment the amount of funds that would be available coming out of Country Garden China?---That, that became an impediment. So the Chinese Government changed its view on enabling currency to leave China and that certainly slowed us down a bit, but by that stage we had money in Australia and I think, you know, you wouldn't just pay cash for like that for a piece of land, it would be, any deal would be on extended terms while you, and probably subject to a rezoning, so there would have been time to manage the finance and obtain finance locally.

30 So that was an impediment but not necessarily a deal-breaker. Is that fair? ---Yes, I would say.

Do you know what Maguire Trading Pty Ltd is?---No.

To your knowledge has Country Garden had any association at any point with Maguire Trading Pty Ltd?---Not to my knowledge.

40 So are you saying to your knowledge and to your recollection all the dealings between Country Garden Australia Pty Ltd and Mr Maguire were purely in his role as an MP or other offices he might hold connected with being an MP, and not in any private capacity at all?---Yes.

Now, let's go back to the first meeting that you had with Mr Maguire. I'm just going to show you a document setting up that meeting. Document number 1, please. Do you see that's an email with a proposed meeting and at the bottom it says, "Danni," D-a-n-n-i, "Ni," N-i?---Yes.

Who's Danni Ni?---Danni Ni was one of the members of the investment team at Country Garden.

And if you have a look at the top of the page, see it says, "Campsie Project - Daryl Maguire"?---(No Audible Reply)

At the very top of the document.---Oh, yes, I see that, yes.

10 So that seems to be the subject matter of the meeting. So is it consistent with your recollection that the first meeting, and I think this is 3 March, 2016, a few days after you've started, was at least focussed on the Campsie project?---Yeah. Ah, well, I think Daryl's, I mentioned he seemed to be unhappy in that meeting and I think that might have been the second Campsie project that was subject of discussion, amongst other things, at that meeting, yes.

And when you say the second Campsie project, you mean the one associated with Mr Alha or the one associated with Mr Demian?---Mr Alha.

20 And so you've got a recollection of at least some discussion about the project of Mr Alha's that Mr Maguire is presenting as a potential project that Country Garden might get involved in. Is that right?---My recollection is that that, the discussion on the project had already occurred at some prior time and that in that meeting Mr Maguire was expressing, he was unhappy that that, I think my impression was that he had been previously told that project like that would be of interest to the company and then he was told that it wasn't of interest to the company, and I think that meeting he was sort of expressing frustration that he'd found something that he thought was what he was supposed to find and then it didn't happen.

30 So it looks like at this point Country Garden's not interested in this particular project but he's trying to still keep it alive, as it were. Is that right?---I think that one was, was, was, was fairly dead. I, I had another look at it and we still weren't interested in it.

But Mr Maguire is still trying to promote that project at this first meeting presumably?---Yeah, I guess. I mean at that meeting it wasn't really a discussion about that project specifically, but more about the way forward with Country Garden.

40 And therefore with other potential projects.---Yeah, well, there were no other potential projects mentioned specifically in that meeting but there were obviously subsequent discussions about other projects.

So at that particular meeting there was at least some discussion about what you've described as the second Campsie project. Is that right?---Yes.

At least part of the purpose of the meeting would seem to be to introduce you, because you're the new Investment Manager.---Yes.

By the time of that meeting the second Campsie project is pretty much dead, but you agree to have another look at it. Is that right?---Yeah, I think out of courtesy, yeah.

10 But there's a general discussion that, look, there may be some other projects that Mr Maguire might be able to point Country Garden to and a discussion about how there might be a progression in relation to that matter.---Yes, yes.

Is that fair?---I think, I think my reference to that one as the second Campsie project probably isn't the right sequence. As I said, it was the one with Mr Demian sort of, was something that drew a lot more of my attention, so I think that - - -

Whether it was the first or second in time - - -?---It doesn't matter.

20 - - - it was at least the Campsie project that was associated with Mr Alha. Is that right?---That's right.

Did any of the projects that Mr Maguire presented to Country Garden Australia Pty Ltd actually result in investment from Country Australia? ---No, not at all.

So there was – Country Garden Australia Pty Ltd I'm sorry.---Yes.

30 But there was lots of attempts on Mr Maguire's side to attempt to get Country Garden involved in a range of different projects but none of them ultimately resulted in any investment from your end. Is that right?---I don't know about lots of attempts, there were things discussed. The four projects I've mentioned are the ones that I recall particularly. There may have been other things but they didn't go very far, you sort of discard them in your memory I guess.

40 But you're at least clear in your mind that none of the projects that were presented as potential investment opportunities were actually invested in by Country Garden at least while you were Head of Investment. Is that right? ---That's right. Yeah, no, I don't think Country Garden ever invested in any projects that had a, that were introduced by Daryl Maguire.

And then if you just have a look at Required Attendees on the document that's on the screen.---Yes.

About two-tenths down the page. Do you see there it says "Daryl Maguire," but the email address is Maguire Trading PL. Do you see that there? ---Oh, yes.

Are you able to assist why Mr Maguire was invited to this meeting as Maguire Trading P/L rather than for example daryl.maguire@parliament.nsw.gov.au?---I honestly have no idea why that would be the case.

10 It must have at least puzzled you, mustn't it, that Mr Maguire is trying to get himself so intimately involved in potential development projects in circumstances where he's not the MP for the area around Campsie and where his only additional function that you've explained so far at least is something to do with the Asia Pacific rather than for example development projects more generally. It must have at least puzzled you, mustn't it? ---I must admit I've never, I've never really noticed that email address prior to today. Look, when I first met Mr Maguire in that meeting and I was sitting there listening to what was going on in the meeting, I was, I was feeling quite puzzled, but then it was explained to me that about this sort of chamber of commerce thing, the Asia Pacific thing that he was involved in and everyone seemed to be, the other members of the team and so on thought that was all perfectly normal in the way it was happening so I accepted that.

20

So you agree that it was at least puzzling as at the time of the first meeting that an MP who didn't have any either portfolio responsibilities or electorate responsibilities in the Campsie area might be so interested in a project in Campsie. Do you agree?---Not, not, not - - -

At least puzzling?---I didn't think in those terms. I mean it did seem, he had this responsibility to promote commerce, so, and as I understood it, that responsibility wasn't limited to his electorate, it was kind of a New South Wales Government-wide thing, so - - -

30

So what responsibility to promote commerce did he have, as you understood it? Was it just the Asia Pacific thing you refer to or something else?---To promote business between Australian businesses and Chinese businesses.

And because Country Garden Australia is a subsidiary of Country Garden China, which is a very large Chinese organisation - - -?---Yes it is.

- - - that is what you understood the connection to be. Is that right?---Yes.

40

And so is it a fair summary of what you've said, it was puzzling at least at first, but that matter was explained to you, no one else seemed to think that there was a problem with it, and so you accepted it as a legitimate thing to do at least - - -?---Yes.

- - - starting off from the first meeting?---Yes.

Commissioner, I tender the meeting appointment for a meeting of 3 March, 2016, 10.30am, entitled Campsie Project – Daryl Maguire.

THE COMMISSIONER: It will be Exhibit 234.

**#EXH-234 – MEETING APPOINTMENT LAKOS AND MAGUIRE 3  
MARCH 2016**

10 MR ROBERTSON: Now, after that first meeting with Mr Maguire, when  
did you next have contact with Mr Maguire?---I think it was the meeting to  
discuss the, Demian’s project was arranged, and I think it was, it was then  
that we had our next meeting.

How long after the first meeting did that occur, do you remember?---Five or  
six weeks.

20 Is it possible that you actually had a meeting a little bit closer, maybe a  
couple of weeks – in fact I withdraw that. Do you recall where that meeting  
took place, the one you’re referring to five or six weeks later?---The one,  
that took place in the coffee shop of the building where Country Garden had  
its offices.

So if the first meeting was towards the end of February, we’re talking about  
a meeting in, what, towards the middle of April or late April something like  
that, are we?---To my recollection, I mean, I’m not, I couldn’t tell you an  
exact date but I seem to recall that it occurred four to six weeks after the  
first meeting.

30 Do you recall having a meeting in around about the middle of April, in  
Martin Place Bar, as it then was, adjacent to - - -?---Yes, yes, I did meet - - -  
- - - Martin Place?---Yes, I did meet, we met there a couple of times for  
drinks.

Is it possible that you had a meeting at Martin Place Bar on or about 11  
April to discuss one of the Campsie projects?---Yes. It’s possible we had a  
meeting. I’m not sure what we discussed.

40 I’ll just try and help your memory this way. Can we go, please, to  
document number 2, 11 April, 2016, meeting with Daryl Maguire re  
Campsie.---Yes.

Note again, see it says “required attendees”, it’s now another email address,  
but again, it’s not his Parliament House email address. Do you see that  
there?---Yes.

Are you able to assist as to why you, as organiser of that event, you may  
have sent it to Mr Maguire’s private email address in circumstances where

you've said that, as you understood it, Mr Maguire's performing a public function rather than a private function?---Yeah, look, it's a good question. I think that was just the email address I had for him.

Well, it was a different email address to the last email address, of course.  
---Yes.

The other one was a Maguire Trading P/L one.---Yes.

10 And here's another email address. But are you saying your best recollection was that that was just the email address that you had for him?---It would be, no, I think Country Garden had a central, centralised system on Outlook. You put a name in and it came up with an email address, and if it looked like the name, we'd just send it. So I really didn't pay it much attention, to be honest.

So that may well have been the email address that had been used by people before you had any - - -?---It's possible, yeah.

20 - - - role in the organisation?---I would say it's likely, yes.

You'll see there, it says meeting with Daryl Maguire re Campsie. Do you have any recollection of discussions regarding Campsie on or about 11 April, 2016 at Martin Place Bar or perhaps nearby?---I remember meeting with, together with Danni Ni and Daryl at Martin Place Bar. I think - - -

30 Just to be clear, the particular Campsie project we're talking about at the moment is that the Alha one or is that the Demian one?---I don't think we knew about the Demian one at that point, so it must have been the former one, the Alha one.

40 So what's being discussed here on 11 April, in circumstances where, as I understood it, you're essentially explaining that that project from Country Garden's perspective was pretty much dead as at the time of the first meeting?---Yeah, it was a project that just didn't work, really. Again, it was very, we looked at, we did, as I said I would, we had another look at it but it was way too dense, way too expensive. And Campsie, it would need, it would need, apartment prices would have needed to set new records in Campsie for it to work, so it just didn't work for us. And I, I can't recall, really, exactly what the discussion was, but I would suggest it was something like that.

I'm trying to understand why there seems to be multiple meetings about this project in circumstances where, as I understood your evidence before, it was pretty much dead. Not just dead on arrival, dead before your arrival in the organisation.---Sure. As I said, I, I think at, at that first meeting with Daryl, I think he was expressing some unhappiness at the way things had occurred with Country Garden and I felt that I should – as a courtesy or – have

another look at it. Maybe I'd see something different. I'm pretty experienced in the property industry. Maybe I'd see a way that was different to others, but I, I didn't.

And when you say as a courtesy, as part of the courtesy that you had in mind, that Mr Maguire was a member of parliament and it was in the business interests of Country Garden Australia to keep a good relationship with a member of parliament.---Oh, sure, of course.

10 And not just any member of parliament, a member of parliament who to your understanding was a bit of a dealmaker, including in the property development industry.---Yeah. Well, I mean, I don't know how much of a dealmaker he was, but that, but certainly I think we wanted to keep, you know, a, a relationship with an MP seemed like a good thing to have.

Well, do you agree you've described Mr Maguire as a dealmaker before?  
---He was certainly in the process of making deals. I mean, I, I, I don't recall if I described him as a dealmaker or not.

20 But he's someone that you thought Country Garden should seek to have a good relationship with?---Yes.

And in fact, you introduced Mr Maguire to the new CEO, someone that goes by the nickname GT.---Yes. Yes, that's sort of an abbreviation of his name.

Guotao Hao, Tao, I think it was.---Guotao Hu. Two words. The last one being H-u, Hu.

30 Thank you, you've done a much better job of pronouncing the name, so thank you.---I lived with it for a while.

But very early in his tenure within Australia, you made sure that a meeting was arranged between him, Mr Maguire, and you, because you thought that Mr Maguire was someone that the senior people within Country Garden Australia should have a good relationship with. Would you agree?---Yes, I, I, I don't recall thinking that specifically, but I'm sure I did, and, and yes, I would have, would have, would have wanted that to be the case.

40 And part of that was that Mr Maguire had a large network of contacts and was a bit of a dealmaker, as you understood it, in the property development industry. Is that right?---Yes, I think that's true.

And can we just go, to give some context to those last questions, document number 5.

THE COMMISSIONER: Are you going to tender that last email, Mr Robertson?

MR ROBERTSON: I am. I tender the meeting appointment 11 April, 2016, 12.00 noon, entitled Meeting with Daryl Maguire RE: Campsie.

THE COMMISSIONER: That'll be Exhibit 235.

**#EXH-235 – MEETING APPOINTMENT LAKOS AND MAGUIRE 11 APRIL 2016**

10

MR ROBERTSON: Now, it's an email chain, so we'll have to start towards the bottom. Mr Maguire is sending an email to various people, including you.---Yep.

20

And I'll just show you the next page, just so you can see what it is, and then a further page, because it's forwards upon forwards, and we'll just go back up a page. It's forwarding some more general information, but what I want to draw particular attention to, if we scan up, and scan up again, he's forwarding you a more general bit of information. But you then see that in the next email up, which is 30 August, 2016, 2.28pm, you send to GT, "Daryl has been a great support to us and would like to meet you for lunch. Shall I set this up with J?" Do you see that there?---Yes.

What did you mean by "Daryl has been a great support to us"?---Oh, well, that, that, oh, only that he, you know, put a number of sites to us, and I think we had an ongoing relationship. Like we were, we were in contact from time to time. And I, I thought it was good for GT to, to meet Daryl, more particularly in his position of a, of an MP.

30

But what sort of support had Mr Maguire provided to Country Garden Australia as at 30 August, 2016?---Oh, simply putting sites to us, and just being available, I think.

Sites that didn't lead to any investments.---No, but, you know. It's still - - -

40

Doesn't sound particularly supportive, I have to say.---Oh, you know, you'd, you'd be surprised. A lot of people put sites to, to us and, and I've been in the property development industry the, pretty much the entirety of my, my working life, and it's a good policy never to burn bridges, and you know, people – you see a lot of sites that you, you don't buy, you know, there's a saying about, you got to kiss a lot of frogs before you find a prince.

But in addition to simply identifying potential sites, did Mr Maguire provide any other support to Country Garden Australia?---No, not that I'm aware of.

Did he assist in, for example, setting up meetings with relevant people within government departments?---We, we once asked him to set up a meeting with the Minister for, then Minister for Planning, the CEO of

Country Garden overseas division, a Mr Xu, was visiting Australia, and at short notice I was asked if I could arrange such a meeting, and it was very short notice, and I rang Daryl and asked if he could help arrange such a meeting, and he was able to and did.

And that was in relation to what project, or was it just a more general discussion?---It was more of a general introduction.

10 Did Mr Maguire ever assist in things of that nature, organising meetings with public servants or government entities or things of that kind in relation to any Country Garden projects?---Only that one time, yeah, only that one time.

20 So I'm still trying to understand how you could describe Mr Maguire as being a quote, "great support to us," if all he's really done is presented you with a few projects that you decided didn't cut the muster?---I, I think I was probably, I was interested in, in, GT was new, new to Australia, new to the business in Australia, I think I was just trying to get him, to get him to meet an MP which I could introduce which I think, you know, boded well for me and GT's relationship quite honestly.

So are you saying you might have - - -?---I might have embellished a bit.

30 - - - oversold Mr Maguire a little bit with a view to convincing GT to meeting a member of parliament who, having a good relationship with members of parliament in Australia might be something in the ultimate business interests of Country Garden Australia?---Something like that, yeah. I mean, look, I don't think you can read too much into that word support, really, it was just, I mean it's there but I don't think, beyond what we've talked about there was nothing else that was happening.

Well, let's just go up a little bit further on this document where you say some other things about Mr Maguire. GT first says, "Who's Daryl?" ---Yep.

Then we go up a little bit further and you say, "Sorry, I thought you knew. Daryl is a minister in the New South Wales Government." Do you see that there?---Yes.

40 What ministerial portfolio did you understand Mr Maguire to have as at 30 August, 2016?---Actually I didn't understand him to have a - that's - I think I should have said he's an MP in the New South Wales Government, a member of parliament, but I don't think he was in fact a minister.

And you say, "And is well connected in both government and also in some Chinese business circles." Do you see that there?---Yes.

And so that really references back to something that you've already explained about Mr Maguire's network.---Yes.

And that network is both in Australia but it is also in China, to at least some extent, as you understood it?---I, I was aware that Mr Maguire had visited China and but I don't know what his specific Chinese connections were.

Is it fair to say you were more interested in his Australian connection than his Chinese connections?---Yes.

10

Because Country Garden of course has very significant connections in China because it's a very large organisation in China. Is that right?---Yes.

And then you say, "He's a bit of a deal broker." What do you mean by, "He's a bit of a deal broker?"---Well, I was referring to the, to the sites that he was, had put to us, even though we hadn't bought anything from him.

20

And then, "He's willing to help with government matters." So what help are you referring to there in relation to government matters?---I think if we, well, we asked Mr Maguire to arrange a meeting with Minister Rob Stokes, Robinson, and he did.

30

It must have been more than that. You're giving Mr Maguire a pretty good sell here, "well connected", "deal broker", "willing to help with government matters". It must have been more than simply setting up one meeting on one occasion, not about a single project but about discussions more generally?---Look, I know what the email says but there were no other meetings that occurred. I think Daryl would from time to time, you know, keep us apprised of, of things happening in government that would have been, you know, changes in law or things that were going on, he would send press releases that the government was releasing to the press, he would send them to us, so we probably saw them before the papers printed them, that sort of thing, just helpful stuff, nothing dramatic.

40

That doesn't seem to be the kind of thing you're talking about. It looks like you're saying, "Help with government matters," in the sense of if the wheels of government start either grinding to a halt or going slower than necessary, he's willing to try and help grease those wheels in some way. Is that fair? ---We never tested that with Daryl but I guess if we'd had some real problems with something we might have.

And at least for the one meeting that you referred to, that wasn't regarding a specific project - - -?---No.

- - - but it was something that allowed you to get access to a minister in a quicker way than you likely would have been able to do but for having a relationship with Mr Maguire. Is that fair?---Yeah, and look, again I think I

was probably feathering my own nest a bit with GT, knowing the fact that we had this contact that could be useful.

But do you at least accept the last proposition I put to you, on at least - - -?  
---Sorry, would you put it again, please?

On at least one occasion, Mr Maguire was able to assist you in the sense of getting you a meeting with a minister.---Yes.

10 In a quicker and better way than would likely have been possible if you didn't have the relationship with Mr Maguire.---I am sure, yes.

Did you ever, or to your knowledge, Country Garden Australia more generally ever consider engaging Mr Maguire as an employee or as a consultant or anything along those lines?---Not to my knowledge.

Whether that be whilst he remained an MP or even if it be after he retired?  
---Daryl did, did indicate that after he retired, he would be looking for things to do, and that maybe he, he, we could, we might find him useful. But that  
20 was a very, it was just a casual discussion, and it was after he retired, so - - -

So it was clear to you that it was open – I withdraw that. It was clear to you that Mr Maguire was at least interested in the idea of having some consultancy or some other relationship with Country Garden after he retired from politics?---Yes.

And was it clear in your mind that that proposal from him, whether it was agreed to or not, at least the proposal from him was in relation to time after politics. Or is it possible that he had in contemplation the possibility of  
30 having a relationship, a paid relationship with Country Garden whilst he remained a member of parliament?---It was clear to me that it was after he'd left politics.

Was there any discussion that Mr Maguire might be engaged in a role of something like Strategic Policy Engagement Director?---No. No. I, I heard that term once before, during a meeting I had with ICAC at the time of Operation Dasha, but it's not a name I ever heard from within the organisation.

40 And when I put that to you, you sort of chuckled a bit. Is that because that's a pretty silly-sounding title from your perspective?---Yeah, it's a pretty silly-sounding title but, but no, I've, I'm not, I've never heard that other than the times mentioned.

When you were employed by Country Garden Australia, was there anyone who played the role of Strategic Policy Engagement Director or some other similarly titled term?---No.

What about government relations or something more general of that kind?  
---No, there, there, there was a period when we engaged some government relations specialists to help us with a project, but beyond that, no.

Commissioner, I tender the email chain starting, well, ending with an email from Mr Hu. It's Mr Hu, isn't it?---Oh, GT, yeah. Mr Hu, GT Hu.

Mr Hu, H-u, to Mr Lakos, L-a-k-o-s.---That's me.

10 30 August, 2016, 2.58pm.

THE COMMISSIONER: That will be Exhibit 236.

**#EXH-236 - EMAIL LAKOS AND GT 30 AUGUST 2016**

20 MR ROBERTSON: If we go back to the attempt at purchasing land in the vicinity of the Western Sydney Airport.---Yes.

I think you explained that at least the first port of call was to attempt to purchase land from interests associated with the Medich family? Is that right?---Oh, and we'd looked at lots of land before, before that. We had engaged agents translating the sale to help us find land. We looked at lots, lots of different things. But the, William Luong came to us with the, the, the Medich land, claiming to have, he had a relationship with one of the Medich brothers, and it was a very well placed piece of land. So we were, we were very interested in that.

30 And was that the first involvement or contact you've ever had with Mr Luong, or is Mr Luong someone known to either you or Country Garden in the past?---Oh, and I'd met Mr Luong, Luong sometime before that. This, this was sometime later.

So in relation to the Medich land, Mr Luong was engaged as the buyer's agent for Country Garden Australia, is that right?---No, he just introduced it, at first, and then later on, as we got, grew to like it, yeah, we engaged him as a buyer's agent.

40 And I take it that was on a usual commission-type basis?---Yeah. I think, yeah, just the usual going rate. I think one per cent.

And I think that possibility ultimately fell through because Country Garden was outbid in relation to that land?---That's right.

So you know that land was ultimately sold, but was not sold to Country Garden, is that right?---That's right.

And is it right that, after that point in time, there was contemplation of buying the land associated with the Waterhouse family?---Yes.

Was Mr Luong the buyer's agent for Country Garden in relation to that land?---No, I think he was acting for the Waterhouses in that, in that instance.

10 So in relation to that bit of land, he was, as it were, on the other side of the transaction, is that right?---Well, he introduced us to, to it, I think he was hoping to get us to, to buy it. Yeah.

But he was doing that on behalf of the seller in that case, rather than on behalf of the buyer, is that right?---Yeah, I think so.

And so you knew - - -?---We didn't have a discussion with William about working for us on that one.

20 But it was apparent to you, from the way that he was dealing with that piece of land, that he was acting for the vendor and it would follow from that that - - -?---That was my understanding, yes.

- - - and it would follow from that that he would get a commission from the vendor in the event that the land was sold?---I would expect so, yes.

And so this was happening between about 2017 and into 2018. Is that right?---I think so, yeah, I think so.

At least the focus of the negotiations was in in 2017. Is that right?---Yes.

30 In the course of those negotiations, you were in regular contact with Mr Luong. Is that right?---Yes.

You were in contact with him, not just regarding this piece of land but other potential projects as well. Is that right?---I think there was other things that he raised but this is the only one we really got excited about.

The one that was, at least one where quite a bit of time was spent on was this land from the Waterhouses. Is that right?---Yes.

40 Mr Maguire was also in contact with you in relation to this potential purchase of land. Is that right?---I was aware that Mr Maguire was involved with the Waterhouses, but he wasn't the guy we were dealing with.

You were principally involved with Mr Luong but - - - ?---Yes.

- - - you had at least some communications with Mr Maguire regarding this land. Is that right?---I don't recall having communications with Mr Maguire

specifically about this piece of land, but I was aware that he was acquainted with the Waterhouses.

You still met with Mr Maguire from time to time in 2017. Is that right?  
---Occasionally, yes.

Sometimes it would be over dinner or it might be over a coffee, something along those lines?---Something like that, yes.

10 Mr Maguire would pitch potential projects to you. Is that right?---As a, towards the end of that period you know when I, towards the time I left Country Garden, it had sort of all dried up, really. Country Garden had slowed down its interest in acquisition, and so we weren't as active, and I think the discussion about land or projects sort of petered out really.

But let's focus on 2017.---Yes.

In 2017 you met with Mr Maguire on a number of occasions to discuss  
20 either the proposed purchase of the Waterhouse land or other projects that Mr Maguire was pitching to you. Do you agree?---Yes, I don't recall discussing the Waterhouse land with him specifically, but there would have been discussion about that. Quite honestly, a lot of the talk and discussions we had centred around a common interest we had in old cars.

In terms of the Waterhouse land, your principal communications was with Mr Luong rather than Mr Maguire. Is that right?---Yes, Mr Luong was acting as the agent in between.

30 But you said that Mr Maguire had some involvement with, a relationship with the Waterhouse family. Is that right?---At the first meeting with the Waterhouse family, they mentioned that they knew Mr Maguire.

Where did that meeting take place?---In the offices of the Waterhouse business in North Sydney.

And so what was your understanding of the relationship between Mr Maguire and the Waterhouses?---Only that they knew each other.

40 Anything more than that?---Only that they knew each other.

Did you know whether there was any arrangement between Mr Luong and Mr Maguire, or entities associated with them, as to whether Mr Maguire would stand to gain in the event that the Waterhouse land was sold?---I was not aware of such an arrangement.

You just dealt directly with Mr Luong. You assumed that Mr Luong, of course, would be getting a fee in the event of a successful sale?---I'm sure he would have been expecting that, yes.

He's not doing it just out of the goodness of his heart. He wants to make a fee at the end of the day.---Of course.

I'm not say that by way of criticism. He's in business to do it.---No, that's, that's, yeah, he was there to make money I'm sure.

10 But surely it must have at least crossed your mind that Mr Maguire might also be seeking to make a fee out of this exercise because he has at least some involvement in the potential sale?---Not really. I knew he had a relationship with or knew – I don't know what sort of relationship he had with the Waterhouse family. He may have introduced William to them, I don't really know. That's speculation. But I never saw or heard anything that suggested that Mr Maguire was seeking some sort of a fee as part of that deal.

20 But do you agree that Mr Maguire at least played some role in attempting to precure the deal between or the proposed deal between Country Garden Australia and the Waterhouses?---Well, to the extent that he knew about it, I guess, yes.

Well, he had at least some direct communications with you with a view to pushing that deal along. Is that right?---Yes, I think, when, I don't recall having a discussion with him specifically that way, but I think I did have a discussion with him when I was sort of explaining, telling him about the changes in government policy with China and how it was much harder to get money out of China now and deals generally were getting much harder to do.

30 Well, one of the things Mr Maguire did in about September of 2017 was to suggest to you that there were other people interested in buying the Waterhouse land. Do you agree?---I don't recall that conversation but if you say so.

Well, do you have a recollection of Mr Maguire having any communications with you regarding matters of that kind?---Look, it's entirely possible he did but I don't have a specific recollection.

40 He was at least in some contact with you regarding the Waterhouse deal? ---Yes.

Sometimes that might have been by telephone, sometimes it might have been by WeChat, is that right?---Look, again, it's entirely possible. I, I am not, sorry, I'm not trying to be difficult or dodge anything, just that there was such a lot going on at different times. I don't know if Mr Maguire was in touch with me specifically on that site or if it was just general things. He could well have been in touch with me about that, about that site but we had

determined that it wasn't suitable for us. So really the discussion concluded.

Well, you ultimately decided it wasn't suitable but you would agree, wouldn't you, that negotiations became fairly progressed, I'm not suggesting anything put in writing, but fairly progressed and that there was at least a point in time in which there was a reasonable prospect that Country Garden Australia would agree to purchase the site?---We, we had a good look at it.

10

Had a good look at it, there was discussion as to pricing, for example?  
---Yes.

Due diligence was being done?---Early due diligence. We never got, we never got into proper due diligence.

But at least there was a good faith negotiation with a reasonable possibility of Country Garden ultimately deciding to buy this land?---Initially, yes.

20

And would you agree that at least as at, towards the middle of 2017 there looked to be a reasonable prospect of Country Garden buying this particular site?---I think we, we certainly looked at it. As I said, we were under direction to buy land in that, in that area. I don't think we ever said to anyone that we would buy it. We probably expressed interest in, in trying to buy it but I don't think we ever did, and I don't think we ever agreed a price.

Well, there was at least some discussions about price. Do you agree?  
---Sure. I think by and large it was way too expensive.

30

But Country Garden was seriously contemplating paying something like \$315 million or perhaps more for the site?---I – it could be. I don't recall. We, we never, we never actually settled on a price that I can, I can recall. I mean, it's possible, that's possible.

40

Well, you weren't really in a position to finally settle on a price anyway, in light of some of the impediments that you and I discussed a little bit earlier, is that right?---Absolutely. And, and also, I mean, there was an exhaustive approval process with Country Garden to get anything, any development site to the point where you would purchase it. So the price would have to make sense, everything would have to make sense and it just didn't with that one.

But in relation to the impediments, presumably you agree that if those impediments fell away, the value of the land for a potential purchaser would be higher? It stands to reason.---Sure. I mean, I think - - -

So, for example, if one has better access to The Northern Road, the land is likely to be of greater value than if it doesn't have access to The Northern Road?---Yes, I would think so.

If it has more favourable zoning, it's more likely to be more valuable land than if it has less favourable zoning?---Sure. I mean, the land value is really realised when you get a zoning, a favourable, an appropriate zoning.

10 And so I think therefore you're saying you actually couldn't settle on a price because there were impediments. Some were deal breakers, some were not deal breakers.---Yes, I think that's true.

But at least some of the non-deal breakers might not have broken the deal but might have affected the price. Is that fair to say?---Yes that's true.

20 Now, just to try and fix us by reference to some timing as to how these negotiations took place, I'm going to play you a recording of a telephone call that, in the first instance, is between Mr Maguire and Mr Luong, but you then also become part of that call. It's telephone intercept 1767. It's occurring on 14 September, 2017, and we'll play from the start until time index 2.29, please.

**AUDIO RECORDING PLAYED**

**[10.30am]**

30 MR ROBERTSON: I'll just cut the call there because you move onto another topic. Do you agree that the last two voices you heard, one was yours and one was Mr Maguire's?---Yes.

And do you agree that that call was happening during the course of a dinner that you were having with Mr Luong?---Yes.

And that was a dinner to discuss the Waterhouse land. Is that right?---Could be, yes.

40 Well, was that consistent with your recollection at least in terms of the timing by about the middle of September, you and him were still trying to get the deal across the line if you possibly could?---Look, I had quite a number of dinners with William at different times and, yes, it could well be that was the discussion. I don't recall specifically. I'm afraid, I have a memory that tends to discard things that are no longer relevant to it, so I can't recall that specifically.

But it's at least consistent of the recollection that you have - - -?---Yes, yes.

- - - that about the middle of September 2017 you were in negotiations with Mr Luong with a view to getting that deal cross the line if the kinds of impediments that you identified before - - -?---It seems so yes.

- - - can be gotten rid of?---Yes.

But you'd also agree, wouldn't you, that this provides an example of Mr Maguire presenting to you possible additional opportunities - - -?---Yes.

10 - - - including what he described as 300 residential off-market units?---Yes.

Do you recall what that particular project was?---I don't think we ever looked at it. It wasn't the sort of thing we did, to be honest, but I don't think there was any follow-up from Daryl on that in terms of providing any extra data.

And then just to try and give you some more context around this time period we'll go to Session 1772.

20 THE COMMISSIONER: Do you want to tender the last one?

MR ROBERTSON: I do. Thank you Commissioner. I tender Telephone Intercept 1767 and the accompanying transcript up to time index 2.29.

THE COMMISSIONER: That will be Exhibit 237.

30 **#EXH-237 – TRANSCRIPT AND AUDIO OF INTERCEPTED TELECOMMUNICATIONS SESSION 1767 DATED 14 SEPTEMBER 2017**

MR ROBERTSON: Now this is an SMS rather than an audio telephone call. This is from you, sorry from Mr Maguire to you if you can just read that to yourself and let me know when you have.---CG Japan residents. Yes. I, I am, so I think that's – we were one of the people looking, certainly to get involved in that, in that area and were looking at land in that area. We had looked at lots of land. I'm not sure why Mr Maguire was sending me this message though, to be honest.

40

Well, do you have a recollection of Mr Maguire attempting to suggest to you that there are others interested, perhaps Japanese interests, with a view to attempting to get the deal across with Country Garden?---Well, he, he was referring to, with Country Garden Japan residents. So someone in our, from our Japanese business.

Well, by the look of it, it says, "Tim, I had dinner with CG," which might be consul general.---Oh, okay. Not Country Garden.

“Japan resident, Takawaka-san, at his invitation.” And then he’s referring to Badgerys Creek, hot topic. The land that you and I have been talking about is in Badgerys Creek, I take it?---Badgerys Creek, yes.

And then he’s referring to a Japanese company, he wants to know more about it, especially technology opportunities, et cetera.---Yeah. So I think he may have been trying to sort of push the opportunity along and saying there are other interested parties.

10

Do you have a recollection of Mr Maguire doing that?---Not especially.

Trying to get the deal across the line by trying to suggest to you that there might be other interested purchasers?---Yeah. I, I, I have an automatic ignore. So, so often people will say to you, “You’ve got to buy that because there’s another person or buyer,” but you don’t, you just ignore it, quite honestly.

20

But you at least agree, don’t you, that although your principal dealings in relation to the Waterhouse land was Mr Luong, you did have at least some contact with Mr Maguire in relation that project?---Yes. I must have done.

And by the looks of it, by the sounds of it, Mr Maguire was in at least semi-regular contact with you in 2017 with a view to pitching projects to you? ---Yes, yes.

30

Do you remember whether you had a meeting with Mr Maguire around about this time to discuss either the Waterhouse land sale, proposed sale, or any other projects? So we’re now in about the middle of September. The call I played to you was 14 September, 2017. The SMS I have just shown you is 15 September, 2017. Do you recall whether Mr Maguire was getting himself involved at that point in time with a view to trying to get this deal across the line?---It looks like he, he must have been but I don’t recall anything specifically about that. There was a lot of discussion and most of my discussions were with William.

But at least some of them were with Mr Maguire, do you agree?---I guess so, yeah.

40

And I’ll try and jog your memory this way. Can we go to the photograph, please, 20 September, 2017.

THE COMMISSIONER: Are you going to tender that text, Mr Robertson.

MR ROBERTSON: I am, Commissioner. I tender telephone intercept 1772, which is an intercepted short message service message from 15 September, 2017.

THE COMMISSIONER: Very well. That will be Exhibit 238.

**#EXH-238 – SMS MAGUIRE TO LAKOS 15 SEPTEMBER 2017**

MR ROBERTSON: This is a photograph taken on 20 September, 2017, 5.45pm, and it appears to have been taken in around the bar lounge room in the Westin Sydney, at 1 Martin Place?---Yes, yes.

10

That was a place that you would meet Mr Maguire from time to time, is that right?---Yes, that's right.

Now, noting the context that I have given you, the dinner with Mr Luong on 14 September, the discussion you had with Mr Maguire on 14 September and the message that Mr Maguire is sending on 15 September, regarding Japanese interests, do you have a recollection of what may have been discussed at a meeting with Mr Maguire a few days later, on 20 September, 2017, at what was then the Westin?---I, I don't recall specifically but I think we must have been discussing that project, along with other things. I mean, it was, it was quite a number of meetings. I, I, I, I would like to be able to tell that I do recall exactly what happened at that meeting but I truly don't. I expect that given the build-up and the circumstances, we did talk about the, that land, the, the Waterhouse land.

20

And you may well have talked about other potential projects as well?---I'm sure we talked about lots of different things. We usually do.

You might have had another go at the 300 residential units, or if that wasn't going to work, you might have tried some other project. Is that right? ---Yeah. And, look, Mr Maguire did put, as I said, different things to us at different times.

30

And that was consistent with your relationship when you were at Country Garden that Mr Maguire would present potential opportunities to you from time to time. Is that right?---Yes.

And did that continue into 2018 as well?---I left Country Garden at the beginning of 2018, and by that stage Country Garden really had, had ceased acquiring new sites, they were, they were sort of going pretty slow, so I don't - - -

40

And so is it right then to say - - -?---I probably, I may have met with Mr Maguire for a social chat during that time.

So is it right to say the core period of time for leads, as it were, were from the very start of your engagement as Head of Investment, 2017 being the core period, but then it petered out over time?---Yes.

And part of the explanation for that I think is that towards the end of 2017 there were other impediments in the way of investing in Australia with Chinese money. Is that right?---Yes, that's true. Look, it became pretty frustrating at Country Garden during the last probably six or eight months of, of my period there because I think the company wanted to give the impression that it was still in the market and, you know, trying to acquire sites, but no matter what you came up with they, they would sort of go, "Yes, yes, yes," and then, "No." So it was apparent that they were just, you know, marking time really, so that's one of the reasons I left.

Commissioner, I tender the photo that was on the screen, being a photo apparently taken on 20 September, 2017 at the Westin Sydney.

THE COMMISSIONER: That will be Exhibit 239.

**#EXH-239 – PHOTOGRAPH OF MAGUIRE AND LAKOS 20 SEPTEMBER 2017**

20

MR ROBERTSON: Commissioner, would you be prepared to have an early morning tea break? The reason I suggest that is there's one other intercept that I might play that I just want to reflect on before I play it in open session. So I'm a little bit, I've gone a little bit quicker than I expected with this witness, so it could either be a short adjournment now or it could be the usual morning tea adjournment but a little bit earlier than usual.

THE COMMISSIONER: We'll do that and then we'll sit through till 1.00pm.

MR ROBERTSON: May it please the Commission.

THE COMMISSIONER: Mr Lakos, we're just going to take a 15-minute adjournment just for Mr Robertson to organise himself a bit as you've heard, but also that's an opportunity to have a cup of tea or coffee if you wish.---Thank you.

Very well. I'll now adjourn.

**SHORT ADJOURNMENT**

**[10.42am]**

THE COMMISSIONER: Mr Lakos, you continue to be bound by the affirmation you made.---I understand.

Thank you.

MR ROBERTSON: Mr Lakos, I'm just going to play a further telephone call. It's not one to which you are a party, but Mr Maguire appears to be, and I'm going to ask you to comment on some aspects of it.---Sure.

It's number 8292, 9 May, 2016, and it's an excerpt from that particular call.

**AUDIO RECORDING PLAYED**

**[11.05am]**

10

MR ROBERTSON: Now, Mr Lakos, just to give you some context, that call was 9 May, 2016, so we're going back in time from where you and I last discussed. I was looking at you when you were listening to that call and reading it, and you seemed to have some reactions to some aspects of it, including the reference to "a mega-big client having mega money," did - - -? ---That would have been us, I expect, or Country Garden as, as such, yeah.

20 And so is it consistent with your recollection that in or about May of 2016, you made it clear to Mr Maguire that Country Garden Australia were interested in projects and interested in projects quickly?---Yes.

In particular, interested in DA-approved projects.---Yes.

They're necessarily better projects that you can put money into quickly, because you might be able to put the shovel in the ground, so to speak, somewhat quicker than if it's just a piece of land with an idea of a potential development project.---Yes. Yes, that's right.

30 And so at least during the course of 2016, you and Mr Maguire had a relationship where you were hoping that Mr Maguire would be able to feed Country Garden some potential projects, is that right?---Yes, I mean, we were dealing with many people, but that was, that was also the case with Mr Maguire.

In particular with Mr Maguire, you've made it very clear to him that there was plenty of money available from Country Garden.---Yes.

40 And it wanted to invest, and it wanted to invest quickly, is that right?---Yes.

Would it be fair to describe Country Garden as a client of Mr Maguire as at May, 2016?---We, there was no client arrangement. Mr Maguire was trying to help us find sites through his, as we've discussed before, through that Chamber of Commerce for the Asia Pacific, whatever it was, but he wasn't, I don't think, it wasn't like a client relationship and we certainly weren't, there was no agreement between Mr Maguire and Country Garden that I know of, that made that relationship that was - - -

It might not have been something formal, but in the event that Mr Maguire could introduce Country Garden, which is mega big and has mega money according to Mr Maguire - - -?---Yes.

- - - surely there would have been a contemplation of some fee to Mr Maguire in relation to that matter?---We never talked about it, honestly.

10 Do you agree that it's, at least as a matter of practice in the property development industry, one would pay a fee to someone who might introduce a project?---Yes, usually a real estate agent.

It would be common on the seller side to have a commission in the multiple per cents?---Yes, sure, if the vendor was paying the commission, which was mostly the case in transactions and, yes, I think the standard agency rate is about 2.5 per cent.

20 But even on the buyer side, if you have someone assisting the buyer, someone like Country Garden, ordinarily a commission or fee would be paid to that individual. Is that right?---Usually a much lower number like 1 per cent.

So Mr Luong, for example, for the Medich land, I think was a 1 per cent fee?---I think to my recollection, yes.

30 But surely if some of these projects came off, you would have at least contemplated, even if there wasn't some formal agreement in advance, would have at least contemplated paying some fee to Mr Maguire, assuming that you were – well, you would have contemplated paying some fee to Mr Maguire.---I understand why you might say that, but Mr Maguire was a member of parliament so he was acting in his capacity with this chamber of commerce. We didn't contemplate paying him a fee.

40 But how, how could Mr Maguire sending mega-big projects your way with a view to having mega money deployed? How could that possibly have anything to do with Asia Pacific Friendship Group?---Again, I think Mr Maguire was trying to introduce Australian businesses to Chinese businesses to generate investment. I mean, I have heard that conversation was played and reported on extensively as a result of the Operation Dasha investigation, so it was kind of I'm hearing it all again, but the way Daryl described us, yeah, Country Garden is a very big business and, yes, we wanted to buy sites.

Do you at least accept, with the benefit of hindsight, the idea of having a member of parliament seeking to tout his mega-big client with mega money and seeking to have projects sent in the direction of the mega money, sorry, in the mega-big mega-money project or mega-money client - - -?---I know what you're saying.

Surely, with the benefit of hindsight, that looks at least suspicious if not wrong. Do you agree?---Well, the way that he is describing it in that conversation, with the benefit of hindsight, yes.

When was the last time you had any contact with Mr Maguire?---The last time was prior to the, some week or two prior to the revelations in Dasha.

So he gave evidence in Operation Dasha towards the end of 2018 I think?

10 THE COMMISSIONER: July, Mr Robertson.

MR ROBERTSON: July 2018.---It was evidence that related to that very telephone intercept I think.

And since that occurred you've not had any communication with Mr Maguire?---No.

Is that right?---No.

20 I tender telephone intercept 8292, 9 May, 2016. I'm tendering the excerpt and the corresponding transcript.

THE COMMISSIONER: It will be Exhibit 240.

**#EXH-240 – TRANSCRIPT AND AUDIO OF INTERCEPTED  
TELECOMMUNICATIONS SESSION 08292 DATED 9 MAY 2016**

30 MR ROBERTSON: If Mr Maguire was ultimately successful in sending two or three or perhaps more DA projects your way, in the event that a deal was ultimately done, in the event that Mr Maguire asked for money, asked for a commission, would have Country Garden paid such a commission?---It wouldn't really be my decision.

Well, would you have recommended that such a commission be paid to introduce you to such projects?---I don't think that Country Garden would have. It would have been completely against policy and I don't think we would have been, wanted to pay a commission to a member of government,  
40 no.

That's the examination Commissioner.

THE COMMISSIONER: Thank you, Mr Robertson. Mr Harrowell, did you wish to ask Mr Lakos any questions?

MR HARROWELL: No, Commissioner.

THE COMMISSIONER: Ms Gleeson, did you wish to ask Mr Lakos any questions?

MS GLEESON: No, Commissioner.

THE COMMISSIONER: May I excuse Mr Lakos, Mr Robertson?

MR ROBERTSON: Yes.

10 THE COMMISSIONER: Thank you for attending today, Mr Lakos. You are discharged from your summons and are free to go.

THE WITNESS: Thank you very much.

MS GLEESON: May I be excused, Commissioner?

THE COMMISSIONER: Yes, of course, Ms Gleeson. Thank you.

20 **THE WITNESS EXCUSED** **[11.00am]**

MR ROBERTSON: I'm going to call the remaining witnesses in opposite order to what I announced this morning. So I call Sarah Louise Hill.

THE COMMISSIONER: Yes. Dr Hill, please come forward and stand in the witness box. Do you wish to take an oath or make an affirmation?

MS HILL: An oath, thanks.

30 THE COMMISSIONER: Thank you.

THE COMMISSIONER: Put the Bible down and please be seated.  
---Thank you.

There's some water there, Dr Hill.---Thank you.

10 And also a glass. Ms McEniery, have you explained Dr Hill's rights to her under the, rights and liabilities under the Independent Commission Against Corruption Act to her?

MS McENIERY: Yes, I have, Commissioner, and Dr Hill seeks to have a declaration be made under section 38 of the Act.

20 THE COMMISSIONER: Very well. Dr Hill, please listen to what I'm about to explain to you. As a witness you must answer all questions truthfully and produce any item described in your summons or required by me to be produced. You may object to answering a question or producing an item. The effect of any such objection is that although you must still answer the question or produce the item, your answer or the item produced cannot be used against you in any civil proceedings or, subject to two exceptions, in any criminal or disciplinary proceedings.

30 The first exception is that this protection does not prevent your evidence from being used against you in a prosecution for an offence under the Independent Commission Against Corruption Act, including an offence of giving false or misleading evidence, for which the penalty can be imprisonment for up to five years. The second exception only applies to New South Wales public officials, and I do understand you to fall into that category at the time of the events in which you were involved, and accordingly I'll explain that exception too.

40 Evidence given by a New South Wales public official may be used in disciplinary proceedings against the public official if the Commission makes a finding that the public official engaged in or attempted to engage in corrupt conduct. I can make a declaration that all answers given by you and all items produced by you will be regarded as having been given or produced on objection. This means you do not have to object with respect to each answer or the production of each item, and I understand you wish me to make that declaration.---Yes, I do.

Very well. 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 her during the course of her evidence at this public inquiry are to be regarded as having been given or produced on objection, and there is no need for her to make objection in respect of any particular answer given or document or thing produced.

**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 HER DURING THE COURSE OF HER EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION, AND THERE IS NO NEED FOR HER TO MAKE**  
10 **OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.**

THE COMMISSIONER: Yes, Mr Robertson.

MR ROBERTSON: Can you state your full name please?---Yes. Sarah Louise Hill.

You were the inaugural Chief Executive Officer of the Greater Sydney  
20 Commission. Is that right?---That's correct, yes.

And you held office in that position from February of 2016 until July of 2020. Is that right?---Yes.

You're now a Deputy Secretary at New South Wales Treasury?---And the CEO of the Western Parkland City Authority.

You took the words right out of my mouth. Can you just explain in general  
30 terms what the Greater Sydney Commission is?---So the Greater Sydney Commission is an organisation that was established to set the big picture planning for Greater Sydney. It was asked to prepare an overarching plan for the city for the next 20 to 40 years, and also a series of what we call district plans, which were mapping out land-use planning and infrastructure corridors at a district level across the five districts of Greater Sydney.

And the reference to Greater Sydney, how broad or narrow is that reference  
40 to Greater Sydney?---So Greater Sydney extends to the LGA of the Blue Mountains, up to Hawkesbury, south to Wollondilly and out to the East Coast.

And so therefore it necessarily includes the Badgerys Creek area in respect  
of which the Western Sydney Airport will exist in due course?---That is correct.

And that indeed is one of the sort of key areas that the Greater Sydney  
Commission has at least some concern with, is that right?---The Greater Sydney Commission, that is one of the Greater Sydney Commission's

districts, and indeed, the Greater Sydney Commission prepared the plan, the overarching plan for that area.

And part of the purpose of having a Greater Sydney Commission is instead of having planning policies and rules that might apply to particular areas of Greater Sydney more generally, it's seeking to have an overarching series of principles that allow the whole of Greater Sydney to have some sense running with it in that whole area.---That's correct.

- 10 Is that a general proposition regarding the purpose of the commission?  
---General proposition is correct, yes.

At the time that you were CEO of the Greater Sydney Commission, were there any protocols or - - -

THE COMMISSIONER: Greater Western Sydney. You keep missing out the "Western." I think that's quite important, Mr Robertson.

- MR ROBERTSON: I'm so sorry. No, it is quite important. I apologise.  
20 The time that were CEO of the Greater Sydney Commission, were there any protocols, procedures, or practices in place regarding meetings with owners or developers of land?---Yes, there was.

And just in general terms, what were those procedures?---As a minimum, all meetings were recorded, and if it was a matter to do with a site-specific issue, we would ensure that there were a number of members of the commission there as well as a probity advisor.

- 30 And what was the role of the probity advisor?---To remind any proponent that the purpose of the overarching plan was strategic and the work of the commission was strategic. And at that time we were preparing the plans, we were not engaging in any site-specific discussions or, or certainly trying to explain to people that we were looking at the overarching plan for Greater Sydney. So in many respects, those who attended the meeting would try to talk or naturally want to talk about site-specific developments or, or areas, and we would remind them that, and the probity advisor would remind them the purpose of the meeting was really to brief on the work and to, to hear more strategic thoughts around the district.

- 40 Was there a practice of requiring owners of land to sign any documents in advance of any meetings of that kind so that they understood the kinds of things, or at least that they acknowledged that they understood the kinds of things that you've just explained?---Yes, we would ask them to fill in a business contact form and to send through an agenda.

Can we have on the screen, please, document 63, page 12. Would you mind just sitting a little bit closer to the microphone, Dr Hill? Just to make it easier for all to hear and to record.---Sure. Not a problem.

I'm showing you a document called Key Meeting Information. Do you see that there on the screen?---Yes.

Is this an example of one of the kinds of forms that might be required to be signed by an owner of land who might want to come and talk to the Greater Sydney Commission?---Yes, it is.

10 If we just scan down a little bit further, just to see an example of the kind of thing that an owner might be required to acknowledge, do you see there in the second paragraph, "This meeting will in no way influence the exercise of the commission's decision-making functions," do you see that there?---I do.

So is it right that that's one of the acknowledgements that was required, at least at this point in time, 2016, from an owner who wishes to come to speak to the Greater Sydney Commission?---That's right.

20 And is a summary of what you were saying before, in effect, these kinds of meetings were to give more general information about the Greater Sydney Commission's work, rather than actually talking about site-specific questions and things of that kind?---That's correct.

At least as a matter of procedure, it was made clear to the owners that if they wish to have, for example, a development approval or something of that kind, that's to be done by way of the formal processes, and a meeting of this kind would not be a substitute for those formal processes?---That's correct.

30 That last point, was that made clear by way of writing to owners or others, or was it otherwise made clear in the meeting? What was the procedures in terms of matters of that kind?---I think there, there's two answers to that. The first is it's, it was beyond the remit of the Greater Sydney Commission to assess individual development applications. That was very much the role of local government or the Department of Planning, depending on the nature of it. But I'm, I would say that in the majority of cases of meetings that, that function would be made clear to anyone who was proposing anything more than what the commission's remit was.

40 And that procedure that you've just discussed, was that recorded in a formal written procedure in the time that you were the CEO, or was that more just a matter of practice that was adopted?---It was certainly practice that was adopted. We did have a procedure. My recollection it was called the Business Contact and Lobbyist Procedures and Guidelines, something to that effect, and I believe it was documented within that. The probity adviser was an additional aspect that we brought in during the time of the preparation of the plans, and particularly for our commissioners for ensuring that they followed due process and that they were not in any way put in a

situation where they would have to, you know, explain that it was beyond the remit of the organisation.

So does that mean that the probity adviser during your tenure was more as a matter of practice that a written down procedure?---It was a matter of practice. It may be referred to in the document. I would have to refer to that.

10 But at least in your experience it was - - -?---Certainly practice.

It was as a matter of practice that was in fact followed on a day-to-day basis in relation to owners and developers and people of that kind. Is that right? ---That's right.

I tender the document entitled Key Meeting Information, dated 6 October, 2016 and signed by Louise Waterhouse.

THE COMMISSIONER: Exhibit 241.

20

**#EXH-241 – GREATER SYDNEY COMMISSION RECORD OF MEETING 11 NOVEMBER 2016**

MR ROBERTSON: Go to page 13 of the same document, please, document 63. And just in the context of what you and I have been discussing, I'm going to show you an email that appears to have been sent from the commission to Ms Waterhouse in connection with the meeting in 2016 that's referred to on the page that I have now shown you. And if you just  
30 have a look at the second sentence, "We reiterate that our protocols require this meeting to be a probity control discussion." Do you see that there?  
---Yes, I do.

What's meant by a probity control discussion?---That there would be a probity adviser present.

And amongst other things, that probity adviser would take a full and complete record of what went on so that there could be suggestion of improper conduct, influence and things of that kind, is that right?---That,  
40 that is correct.

And then I will, if you note the next paragraph as well, "The purpose of the meeting still remains the same, to give you an opportunity to present your ideas," et cetera. Is that consistent with what you were saying before, namely it's more in the nature of general discussion, and maybe a two-way discussion, but it's not a substitute for formal planning and other processes?---That's correct.

I tender the email, 7 November, 2016, 8.27am to Ms Waterhouse and another.

THE COMMISSIONER: Exhibit 242.

**#EXH-242 – EMAIL AOUN TO WATERHOUSE AND OTHER 7 NOVEMBER 2016**

10

MR ROBERTSON: Dr Hill, when you were the CEO of the Greater Sydney Commission, did you have any interactions with Mr Daryl Maguire MP?---Only one.

And what was the nature of that contact?---Well, it was a meeting that was held in Parliament House.

Now, in terms of that meeting, who requested that meeting, do you recall?  
---That, I was asked to contact Mr Maguire in December by Minister Pavey,  
20 to give him an overview of the Western Parkland City and the work that was being done by the commission.

So it was Minister Pavey who, as it were, requested that that meeting take place. Is that right?---That's right.

What portfolio area did Minister Pavey have at that point in time?---I believe it was Roads and Freight.

And do you recall approximately when that contact was made?---It was in  
30 December 2017.

And was that contact made directly by the minister or was it made by her staff?---Yes, it was directly by the minister.

And do you recall whether around about that time you had a telephone conversation with Mr Maguire as well?---I followed up a few days later with Mr Maguire and spoke to him and offered to brief him on the work of the Greater Sydney Commission.

40 And so to get the chronology right, Minister Pavey first makes direct contact with you, saying that Mr Maguire wants some information about some of the work that you do?---Yeah, a briefing on the work that we're doing.

And to be clear, was Minister Pavey indicating that Mr Maguire was concerned about a specific issue or a specific site or, as you understood it from Ms Pavey, was it more a general discussion?---It was a more general discussion. I, I think there may have been some reference to infrastructure

in that but it was just a general briefing, which was not unusual at the time that we were briefing.

And was it area-specific? As you understood it, was Mr Maguire interested in knowing about the Greater Sydney Commission more generally or a particular area within Greater Sydney?---It was area-specific, was my recollection. Western - - -

And which area was that?---The Western City.

10

When you say the Western City, can you just explain what that means?---So the Western City spans from Wollondilly to Hawkesbury to the Blue Mountains. So a substantial area and it was, I can't recall it being more specific than that.

And that includes what will become the Aerotropolis in and around Western Sydney Airport. Is that right?---That's right. And the work that may have been referenced but it was a long time ago, to the work of the City Deal and broader work of the commission that was focussed around the Aerotropolis.

20

And is it right that your conversation with the minister would have been a relatively short one with a view to setting up the meeting, rather than anything in a bit more detail?---It was just a brief note to asking if I could brief him.

THE COMMISSIONER: Was the commission in the minister's portfolio?  
---No.

30

So how did it come that she contacted you?---Well, we were in a meeting and so she passed me a note in the meeting and asked if I could brief Maguire.

40

MR ROBERTSON: And did you have any appreciation of what Mr Maguire's interest might be in the matter, noting that he was of course the Member for Wagga, and although Greater Sydney is a large area, at least as I understand it, it doesn't include anything anywhere near Wagga.---That's right. So I called him and he said he was interested in understanding more about the work we were doing. I recall he mentioned something to do with roads and, and hence I suggested that Roads and Maritime joined us. Roads weren't my area of expertise. I also suggested that our Western Sydney District Commissioner join us because he was very proactive in that space, and as well as a Department of Planning so that we could take a coordinated briefing to him.

But is it fair to say that, as you understood it, Mr Maguire was interested in more general topics rather than in relation to a particular site or a particular issue?---That's right. And it wasn't unusual that people were interested in

the work that we were doing, and that we briefed MPs on the work that the commission was doing.

And is it right to say that around about that time period, 2017 and 2018, it was not uncommon at all for the commission to be briefing members of parliament in relation to the work of the commission more generally?  
---That's absolutely correct.

10 Can we go, please, to page 39 of document 63. I just want to try and lock down the dates of some of these communications and there's some email chains that may assist on that question. If we go to the very bottom, it's an email chain so I'll have to start from the bottom and go up. Do you see there an email from you to a Lee Bellia? Have I pronounced that right?  
---Yes.

B-e-l-l-i-a.---Yeah.

20 And if you look at the subject heading, "Can you please try and get me the number for the Member for Wagga Wagga." Do you see that there?---Yep.

And so do we take it from that, that around about 13 December, perhaps the same day or perhaps a day or two before, was when Minister Pavey asked you to make contact with then Member for Wagga Wagga, Mr Maguire?  
---Yes.

And then you were taking steps to obtain his mobile number et cetera. If you then look towards the top you say to Ms Bellia, "Just spoke to this MP. We agreed to give him a briefing next year." Do you see that there?---Yes.

30 So is it consistent with your recollection that you had a telephone call with Mr Maguire, probably on the morning of 15 December, 2017, the outcome of which was that Mr Maguire should have a briefing in relation to the commission's work and some broader issues as well?---Yes, that's right.

THE COMMISSIONER: What's that expression at the end of the sentence commencing, "Kerry," "The LUIP by DPE?"---So that is a document referred to a Land Use and Infrastructure Plan.

40 I see.---It was being prepared by the Department of Planning at the time in relation to the Aerotropolis, an area 11,000 hectares around the airport, and it looked at rezoning land and aligning it up with infrastructure, hence Land Use and Infrastructure Plan.

Thank you.

MR ROBERTSON: And so that would be, as it were, something in the nature of a master plan that might then find its way to filter down in things

like zoning. Is that right?---Yes, it would inform the future rezoning of land within the Aerotropolis.

And so plainly enough, someone who might be affected by that particular plan might have a significant interest in the matter, because in the event that the plan gave some, what they would regard as favourable zoning, that might be something that might affect for example what one can do with their land. Is that right?---That's correct.

10 And therefore might affect the value of their land. Is that right?---That's correct.

And so why was it decided that plans on the LUIP by DPE is something that should be considered, or at least there should be people who are in a position to discuss that during the meeting with Mr Maguire?---My recollection from the discussion, and it has been some time, is that he was interested in some further details around roads, and hence the reference to RMS, but also the Department of Planning who were doing some very, or some more detailed work with the LUIP and infrastructure. And so I, whilst  
20 we were doing the big picture strategy, the more detailed work was being done by those agencies, and hence I, I felt it was only appropriate that, that they joined us so that we could give a more detailed explanation of, of matters that he must have referred to.

And so as you understood it, Mr Maguire was interested in Western Sydney, Western City?---Yeah.

And in particular, in roads in that area?---In the, and around the  
30 Aerotropolis.

And given that, that informed you as to who you thought was appropriate to attend the meeting.---That's right.

And I take it that, as you understood it, Mr Maguire was wanting that meeting to be set up in his capacity as a member of parliament, is that right? ---That's absolutely my understanding.

He didn't indicate to you that in the event that some favourable decisions might be made by the commission, or by some of the other agencies  
40 identified in your email, that he personally might stand to gain from that? ---Absolutely no indication of that was given.

Didn't even cross your mind at that point in time?---Absolutely not.

And if something like that had been suggested to you in the telephone call, it would be a matter that would raise immediate and very significant alarm bells, do you agree?---Absolutely.

If Mr Maguire did indicate such a thing, what steps might you take?---I'd ask him to follow the procedures of the commission, which is to fill in a request for a meeting to provide us with an indication of what would be discussed at the meeting, and if it was a site-specific matter, then we would have a probity advisor present.

10 And so if he was in effect seeking a meeting not so much in his capacity as a member of parliament, but as someone who potentially stood to gain from a particular decision, you would have treated him just like you would treat  
20 any other person who might be a landowner or a developer or someone else who might stand to gain from a decision that the commission might make, or that some of the other agencies identified in your email might make, is that right?---Yes.

But in particular, by the sounds of it, you'd ensure that there was a probity advisor present, which was part of the procedures of the commission at that point in time, is that right?---Yes.

20 I tender the email chain ending with an email from Dr Hill to Ms Lemon, L-e-m-o-n, 25 September, 2018, 4.32pm, page 39 of document 63.

THE COMMISSIONER: That will be Exhibit 243.

### **#EXH-243 – EMAIL HILL TO LEMON 25 SEPTEMBER 2018**

30 MR ROBERTSON: So at least as at the middle of December, 2017, there's a contemplation of a meeting taking place in February. I take it that the meeting was ultimately organised and took place, is that right?---Yes.

But I think it might not have occurred until March, is that right?---That's right.

Other than the individuals who you arranged to attend, who else was in attendance at the meeting?---So there was Louise Waterhouse and her consultant.

40 Now, did you know that Ms Waterhouse and her consultant were coming to the meeting?---Only just prior to the meeting was I made aware that they were joining us for the meeting.

Who told you that?---When I was walking into parliament security, I saw Louise. I said hello to her, and I recall asking, just in sort of short conversation, "Oh, what are you here for?" and she said, "I'm coming to see you." And I, I was, I was like, oh, okay. So I, I walked into parliament and she was going through security at the time.

Now, if you'd known in advance that Ms Waterhouse was going to be in attendance at the meeting, and/or perhaps an advisor to her or a consultant to her, would have you taken any different steps in relation to setting up the meeting?---I would have had a probity advisor, but it was quite an unusual situation being at parliament and – so yes, I would have had a probity advisor.

10 Whereabouts in the parliament did the meeting take place?---In a meeting room on one of the, I think level 9 or level 10, I'm not quite sure which floor it was.

Who organised the meeting in Parliament House?---My EA coordinated the people to attend the meeting, but I'm not quite sure who organised the room.

So it could have been on your side or it could have been on Mr Maguire's side?---That's right.

20 Is it unusual for a member of parliament to bring along a landowner and a consultant to a meeting of the kind that you set up in Parliament House?  
---Yes.

So it's not unusual to have briefings of members of parliament regarding the kinds of things that Minister Pavey and Mr Maguire communicated to you in December of 2017, is that right?---That's right. It's not unusual for us to brief MPs on our work.

30 But it would be unusual to bring along to that meeting someone who had a particular interest in a particular site in relation to matters that might be of relevance to the commission or the other agencies referred to in your previous email, is that right?---That's correct.

And then in terms of the meeting itself, can you just explain what was discussed, in general terms, during the course of that meeting?

THE COMMISSIONER: Can I just ask, before you proceed with that question, Mr Robertson, you said you knew Ms Waterhouse.---Yes.

40 And did you know her previously in connection with your work on the Greater Sydney Commission?---Yeah, so the Greater Sydney Commission really sought to engage as many stakeholders as possible in the preparation of the plan. So we undertook quite wide briefings, engagement opportunities. We hosted quite a number of public events to brief people on our work, to listen to people about their ideas over the course of preparing the plans, and Louise had attended many, many of those events, so I knew her. She had met with commissioners of the Greater Sydney Commission previously and had made submissions to the plan, I believe, by that stage. So I certainly knew her.

So we've already seen, earlier in the piece, a 2016 document of the nature you've described as being preliminary to a site-specific meeting. Do you recall if you were at that meeting?---I don't recall having site-specific meetings with her previously, but I've certainly met her at many of our events and, indeed, other industry events I was asked to speak at.

Thank you.

10 MR ROBERTSON: So it wouldn't be unusual to have a site-specific meeting, provided that the ordinary procedures and protocols took place, is that right?---That's right.

And that would include having a probity adviser present, correct?---That's right. Certainly, and particularly if there was a district commissioner or a Greater Sydney commissioner present as well.

But it was at least unusual to have a meeting in Parliament House with a member of parliament and with all of those agencies involved, in respect of which there was a landowner and their consultant present, is that right?  
20 ---Yes, that's right.

In fact, is it fair to say that, when you found out that Ms Waterhouse was going to be present on the day, you were somewhat taken aback by that?---I was.

Now, I think you've investigated that matter to see how that all came about, and I think you've found that there was some reference to the possibility that Ms Waterhouse might attend the meeting, is that right?---Yeah, so initially the meeting was established without Ms Waterhouse. The meeting  
30 date was changed and, in that period, Ms Waterhouse and her consultant were added to the attendee list, not to those invited to the meeting, but within the body of the email I subsequently have seen that they were, they were invited on an attendee in the base of the meeting invite.

And so it looks like your secretary might have known that there was an intention for Ms Waterhouse to attend, is that right?---Yes, that's right. In between the five days, or in between the meeting date being altered, I've subsequently reviewed the emails and it turns out that she had been advised that Louise was coming to the meeting.  
40

But that's not something that she told you or that you otherwise noticed, is that right?---Regrettably not, no.

And had you done so, you would have acted differently, and particularly you would have insisted on a probity adviser being present, is that right?  
---Yes. I mean, it was a very unusual situation, and when I found out, I, I did stop to reflect what I would do. The difference is I had other members of government agencies with me from the Department of Planning and

RMS. I spoke to one of them and he was aware that she was attending, so I recognised that I must have been at fault in not realising she was attending. It hadn't been my recollection from the phone call with Maguire that it would be any site-specific matters, so I thought that I was in the wrong, and I felt that I had other members of government there that it was appropriate that we continue with the meeting.

10 THE COMMISSIONER: Shouldn't that not have triggered in your EA's mind, at least, the possibility that probity practice should have been implemented?---Yes, it should have, and I, and reading the emails, it did. It just didn't progress to me being told that she was attending and a probity adviser being invited to attend.

And the other agencies to which you referred, as far as you're aware, did they also employ the probity practice that you had?---No. It was a more, sort of, more intense arrangement for, largely for our commissioners, given that they had a lot of people interested in briefing them on their sites, and we needed to make sure that they felt comfortable in those meetings. So it's not unusual for other agencies to meet with landowners or developers, but they will follow appropriate processes of documenting the meeting and making sure that there's multiple people in the meeting recording it. So that was standard practice for them and they felt comfortable with it.

And were there people recording the meeting in Parliament House?---I made records of it and I, I presume the others would have made their own meeting records.

But in the ordinary course, if you'd understood this to be a site-specific meeting, would you have had sort of somebody more like an official minute taker?---Yes.

MR ROBERTSON: What if it was more in the nature of a usual meeting with an MP in order to advise them? Would it be recorded in a similar fashion?---I wouldn't have a probity adviser but I would still make a record of the meeting.

As detailed a record as you would in the event that there was a landowner or whatever present, or not as detailed?---No, not as detailed.

40 And that's at least in part informed by the fact that the kinds of probity considerations that might arise, and the potential necessity to demonstrate what had happened or hasn't happened in the particular meeting, is put in more sharp relief in the event that there is a landowner, developer or someone who might stand to gain from a decision that the commission, or those other agencies, might make. Is that fair?---That's right. And generally meetings with MPs would be of a, a higher lever briefing on our work, rather than a more detailed discussion around some specific matters.

And you've described the particular meeting as unusual. I take it the thing that made it unusual was the presence of Ms Waterhouse and her adviser, as opposed to any other aspect of the meeting, is that right?---Yes.

10 And you find out that they're going to be in attendance, you find out on the day. Is part of the background to the fact the meeting still took place without a probity adviser, that this meeting was a long time in the making, there was lots of different agencies involved, there was lots of attempts to actually find a date that all attendees could attend, and so at that point in time you took the view that, although this is unusual and you were concerned about it, it was appropriate in the circumstances to allow the meeting to still take place?---To be frank, at, at the outset, I was, I thought I was in the wrong and that I had misunderstood because my, one of my colleagues from another government agency knew that she was coming. So I thought I had missed that, based on the conversation I had had initially to set up the meeting. And so given that a probity adviser is not an absolute requirement of the commission, but good practice, and given that the other government agencies were comfortable and were in Parliament House, I thought it was only appropriate to continue, for the reasons given as well.

20

And in fairness to you, in light of one of the questions the Commissioner asked, can I show you a further document on page 59 of document 63, which is part of an email chain which I think you've drawn passing attention to regarding the probity adviser issue and the investigations you have made into your office. And if you just have a look, if you focus on particular on the one at 11.14am, from Ms Bellia, can you see there it says, "Thanks for the heads up." This is emails, as it were, setting up the meeting between the electorate office, Mr Maguire and your office. And she says, "I need to check on if we need a probity adviser to ensure that we're following our own internal procedures." Do you see that there?---Yes.

30

And so at least at this point in time you're happy because your assistant has identified the issue that needs to be addressed. "Ms Waterhouse is in attendance. Does that mean that we need a probity adviser in order to have this particular meeting." Is that right?---For the avoidance of doubt, I wasn't aware of this email chain until well after the meeting.

40

I was about to confirm exactly that. So at least this is not happening with your involvement, you're not copied in these emails at all?---No.

At least at that point in time, you were happy in the sense that that's triggered at least a small alarm bell within your office, saying, "Probity adviser might be necessary," but that question of whether a probity adviser was necessary or not was not a matter that was drawn to your attention ultimately, is that right?---That's right.

And in fact if it had been drawn to your attention, you would have insisted on a probity adviser being present, correct?---Yes.

In fact you might have even reconsidered whether the meeting was appropriate at all because, as you have explained, the meeting that ultimately happened was a somewhat unusual one. Is that right?---It, it was unusual. I'm not sure what I would have thought at the time but I certainly would have had a probity adviser.

10 I tender the email chain, finishing with an email from Ms Bellia, B-e-l-l-i-a, to electorate office Wagga Wagga, 27 February, 2018, 12.44pm, pages 59 through to 61 of document 63.

THE COMMISSIONER: That will be Exhibit 244.

**#EXH-244 – EMAIL BELIA TO ELECTORATE OFFICE WAGGA WAGGA 27 FEB 2018**

20 MR ROBERTSON: Now, the meeting itself. What can you recall as to what took place during the course of that meeting?---I was still operating under the premise that our role was to brief Maguire and those present on our work. At that stage, we had updated the draft plan and we were very close to taking it to government for seeking approval for the plan, so I could give an overview of the work to date and to brief all present on the work to date and any other matters around the City Deal. I asked Brett, from the Department of Planning, to give a brief on his work in the area, but it pretty quickly went to a discussion around Ms Waterhouse's land and development potential for it.

30 Now, was it clear, as at the time of that meeting, 12 March, 2018, clear in your mind that Ms Waterhouse, or at least her family, might have a financial interest in what the draft plan says?---Yes, it was clear.

40 And why is that?---In effect, her land was designated what we call metropolitan rural area, so a land use that largely allows farming, rural residential uses, low density, non-urban uses. You can have some recreational or, say, tourism, such as farm stays and those sorts of things. And, really, the line between what we call the metropolitan rural area and area designated for urban uses was the Outer Sydney Orbital, the M9. And the Waterhouse land was located to the west of the M9, so it was sort of a geographic boundary for Greater Sydney, and the land to the east of the M9 was within what we call the Aerotropolis, and that was subject to the work that the Department of Planning was doing and the LUIP that I referred to earlier, the Land Use and Infrastructure Plan. So that road was a boundary between the two.

But I take it her position was, or her request, was that that should not be the boundary and that the plan should contemplate a different kind of zoning or

permissible use for her particular land, is that right?---That's certainly where the meeting subsequently progressed to.

And just to try and understand that practically, was it always open, as you understood it, for Ms Waterhouse to prepare a planning proposal or some other similar application with the view to changing the zoning of her particular land?---Yes, that's the standard approach to these things, and I think it was discussed in the meeting that that would be an appropriate approach for her.

10

But, of course, if the plan had a different view, that would filter its way down, such as to, in effect, change the zoning without going through those more formal and particular procedures, is that right?---That's right.

And so is this right? Ms Waterhouse could, in effect, get her land rezoned if the plan was favourable to her, without having to do the formal planning proposals of the kind that one would ordinarily have to do?---I think it's a fair point of clarification that this plan would set a very strong and statutory direction for that to occur. So in its own right, it would not rezone the land, but it would send a very strong strategy or strategic direction that it was appropriate for the land to be rezoned.

20

Or can I perhaps put it this way. If that was part of the plan, that would be, as it were, a top-down way of having more favourable zoning for the Waterhouse land. If it's not part of the plan in a favourable way, one could – at least conceivably – get different zoning but it would be more of a bottom-up approach to achieve that result.---Yes. So it would send a top-down direction to relevant planning authorities that that is the intention of government for, for that area, and the mix of uses that were appropriate.

30

And it wouldn't necessarily finally decide the issue, but it would at least be a strong indication from a commission who was charged with considering those very kinds of things.---It would have been a material consideration in any consideration of rezoning that land, absolutely.

THE COMMISSIONER: Under the plan, which I assume eventually came about, is the Greater Sydney Commission the planning authority?---So the Greater Sydney Commission, you are correct, is the – well, let me take that, so the Greater Sydney Region Plan, the overarching one, is approved by the NSW Government through the Cabinet process. The district plans are approved by the Greater Sydney Commission, and then underneath that is back into the, depending on what level of State Government and local government approval processes.

40

But if the land fell within, as I think Mr Robertson has suggested – it might have I think been the subject of conversation at this meeting – the Aerotropolis, does that have a specific planning authority?---So the – so just to confuse things, the Aerotropolis was being planned by, by the

Department of Planning with the LUIP. So, Waterhouse's land did not fall into the LUIP, it fell out of, on the other side of the M9, which then meant it was captured by the broader work that we were doing.

But had this favourable consideration that she was apparently seeking at this meeting been extended, it was a possibility at least, was it, that it might have fallen within that Aerotropolis - - -?---That's right.

10 - - - and as you said, have had a more favourable possibility of rezoning?  
---She was asking for the boundary of the Aerotropolis in effect to be extended out to include her land.

Thank you.

MR ROBERTSON: And before I interrupted you, you were explaining the meeting, and I think you were saying it at least started in more general briefing terms of the kind that you would do in relation to any other MP, is that right?---That's right.

20 But it ultimately turned to a discussion about the issue that we've now been discussing, which includes what the plan might ultimately say, is that right?  
---That's right.

So who shifted the conversation in that direction, can you recall?---I can't recall precisely.

Definitely wasn't you.---No.

30 Was it any of the other what I might call agency representatives?  
---Absolutely not.

And so that leaves three people, I think. That leaves Mr Maguire, Ms Waterhouse, and Ms Waterhouse's advisor. Is that right?---Yes.

But you're not quite sure which of those three it may have been.---I, I can't recall who, who changed the direction in the conversation.

40 How did you feel when the conversation moved into that direction?  
Because that now sounds like, based on what you're saying, it went from being a fairly standard meeting of the kind that you probably had scores of, if not more, to one that was getting much more specific about a specific request.---I mean, certainly with Louise Waterhouse and her consultant there, I was expecting that we would end up in that situation, and I really tried initially to keep it at that higher level and briefing which was the expectation, because I didn't feel comfortable with the situation. But in any case, I, I'm, I recall at the time trying to just listen, and they presented their development. Now I, I was aware that they were keen to rezone the land based on previous meetings and submissions that she'd made. So, so to be

frank, none of it was new to me. But I initially, I tried to keep it at that higher level of discussion.

10 What was Mr Maguire's role in the meeting? What did he contribute or not to the meeting?---He, he sat – my recollection is he, he sat close to Louise. He didn't say a lot. He sensed frustration at points in time when we would say things and it wasn't necessarily going in the direction that, that Louise wanted it to go, in terms of we would be clear around the fact that we had undertaken enough assessment to know we didn't need to change the boundary to incorporate more land for jobs. And there was a discussion around infrastructure, and I recall a discussion around the need for infrastructure on her site, and at that time, we were undertaking a lot of analysis to understand the, the, the significant investment that was required by government within the Aerotropolis area, and I recall explaining, we can't invest everywhere and put infrastructure everywhere at the same time, we need to sequence these outcomes and, and the Aerotropolis area was being prioritised at that point in time by the Land Use and Infrastructure Plan work being undertaken.

20 So as you saw it during the course of the meeting, was Mr Maguire sitting there as someone who was getting information, a recipient of information, or was he a bit more active in the nature of an advocate?---It, my, my distinct feeling was that he was more of an advocate, and indeed, frustrated that we weren't progressing the conversation more the way they wanted it to go. And particularly, for example, around the metropolitan rural area and changing the boundary, I recall saying that we had reviewed many submissions and indeed, many of those submissions had pointed to the importance of retaining the metropolitan rural area boundary, and I remember him getting very frustrated at that. I remember him being quite  
30 derogatory towards bureaucrats and, and frustrated, but other than that, I, I recall him sort of sitting back, observing the situation.

And you used the phrase, "The way they wanted it to go." Who are you referring to as part of the "they"?---Well, Louise was very open and always had been in the fact that she would like to rezone and redevelop her land, and when I say "they", I mean, I refer to Louise and her planning consultant who was there at the time, and they were very keen for us to support the change to the plan or changes to the work that we were doing to enable them to redevelop their land.

40 For the obvious reason that that would increase the value of the land or at the very least increase the prospect of making further money out of the land. ---That's right.

THE COMMISSIONER: So had you become aware of her interest in having the land rezoned in other face-to-face meetings or in these public meetings to which you've referred?---More in my case public meetings, but certainly she'd had face-to-face meetings with other members of the

Commission and it wasn't lost on us that there were many landowners looking for rezoning in that area and she was certainly one of them. And she wrote to us very openly in that regard subsequent to the meeting and prior to the meeting, you know, requesting that.

MR ROBERTSON: And you explained that Mr Maguire was playing a bit of a role of an advocate. That was an advocate for what particular position?  
---For us to hear them out and - - -

10 When you say them - - -?---Sorry, Louise and - - -

- - - you mean Ms Waterhouse I take it?---And her consultant who gave us a presentation on their proposal, SmartWest Sydney I recall it being called, and the mix of uses that they were proposing, the array of businesses that they'd already spoken to. So we politely listened to that.

Just to be clear, was Mr Maguire's advocacy, as you understood it, focussed on the SmartWest Sydney project or was it a more general advocacy about jobs in Western Sydney more generally or the area to the west of the M9  
20 Orbital or some other broader consideration beyond Ms Waterhouse's proposal?---My sense from his demeanour was more about Ms Waterhouse's proposal.

Did Mr Maguire indicate to you during the course of the meeting that in the event that rezoning was possible and a sale or development might take place, that Mr Maguire himself might be able to stand to gain financially in relation to that?---Absolutely not discussed at all. I was not aware of any of that at the time.

30 If he had done such a thing, what would you have done?---I think we would have ended the meeting pretty quickly, but no, I certainly wasn't aware of that and didn't consider that could be the case.

You said that one of the issues that was being discussed is effectively the rezoning issue which leads from the plan issue in particular. Were there any other particular issues that were discussed during the course of the meeting?  
---I recall making a very conscious decision just to share an overview like any other overview that I'd given before and to listen as much as possible, and to be frank, to hand over to the Department of Planning and RMS.  
40 Subsequently through the course of the meeting, Rick gave an overview of his work, again entirely consistent with any public information that had been provided, and then the discussion focussed around roads, roads within her site and to her site, the boundary of the MRA as a consequence of the Orbital and its alignment. As I said, this wasn't my area of expertise at the time so I let the conversation happen between Colin from RMS and Louise.

But in terms of key topics, at least coming from the Waterhouse side, by the sound of it it's the plan.---Yes.

The commission's plan which obviously leads into zoning issues.---Yes.

It was the position of the M9 Orbital. Is that right?---That's right.

That was another topic, and relatedly access to roads and in particular the M9.---Yes. And the only sort of other minor addition there would be the prioritisation of infrastructure such as roads to enable her development to happen.

10

And obviously all of those issues are connected with each other because - - -?---That's right.

- - - part of the plan at least is, as you've explained, what happens on the eastern side of wherever the M9 Orbital ultimately proceeds.---That's right.

20

Do you recall anything else raised by Mr Maguire during the course of that meeting?---I can't recall the specifics but I think he got more engaged in the conversation around the roads and was particular interested in that. I recall Louise Waterhouse was raising concerns around her neighbours and the, the equity of, of the planning approach for her neighbours, who would be in time affected by airport, airport noise, and again subsequent to that meeting, she wrote to the Premier, indeed dated that day, about her concerns with a number of her neighbours signing a petition in effect, or, or, or co-signing the letter.

This was a letter to the Premier that you're now referring to?---That's right.

30

Roughly speaking, how many briefings sessions with members of parliament would have you had in your capacity as CEO of the Greater Sydney Commission? It sounds like many.---Many, many, yes.

Does this one stand out as being an unusual one, having regard to the fact that you have had many of these kinds?---Absolutely.

One aspect of the unusual nature is the fact that there was a landowner and their adviser present, correct?---Correct.

40

But was the role that Mr Maguire played unusual as compared with the roles that other members of parliament would play in similar briefing sessions? ---Similar briefings, we would give an overview of our work and then the discussions would focus more around how it relates to their particular area and, and what the implications would be and that certainly didn't occur.

Did you ever have any briefing session with anyone else, where the member of parliament was concerned about a particular site and particular issues concerning a particular site of a particular landowner?---I can't recall specifics. It's, it's not unusual for local matters to be raised but I can't

recall anything like this. I, I was particularly energised after the meeting to go and write a very detailed file note straight away on the basis of the meeting.

10 So because it was so unusual and because you were so energised – I mean, it’s a more than energised, isn’t it? You were quite concerned?---I was, I was, to be frank, I was angry. I felt either I had made a mistake or had been put in a difficult situation and I didn’t feel comfortable. I, I didn’t feel comfortable with his comment to us, which really riled me and so I, I made - - -

THE COMMISSIONER: Which comment?---His comment about bureaucrats, and I can’t recall exactly what it was but in relation to the comment around the strong support we’d had to retain the metropolitan rural area, he got quite frustrated and - - -

20 The metropolitan rural zoning?---Yes, yeah. And, and, you know, basically said, “Oh, bureaucrats.” You know like, how, you know, and made some X comment there, which sort of changed the tone of the meeting.

MR ROBERTSON: Can you do your best to remember what he actually said and don’t be shy if it was a harsh word.---There was definitely a word before bureaucrats but it, I, I, I’m sorry, I can’t remember it.

THE COMMISSIONER: Some pejorative adjective.---Maybe “bloody” or something but, but not, not, it was not that word but something to that effect.

30 MR ROBERTSON: You said you were energised and angry. Would it be putting it too high to say that you were shocked by what happened at the meeting?---I was shocked, yes.

And one of the things that it energised you to do was to take a very detailed file note of what took place at the meeting. Is that right?---That’s right.

40 And is it fair to say you wouldn’t ordinarily take a detailed file note of the kind that you took in relation to this meeting Mr Maguire? You would always take notes so you knew what happened, but you were particularly energised to prepare a very detailed file note about this meeting, is that right?---I only take detailed, very detailed notes when I am concerned about a meeting or feel, feel I need to be cautious around being verbaled or something to that effect.

And you’re the Chief Executive Officer of the organisation. It’s not your ordinary role to be, as it were, the minute taker. This was an occasion where you were energised about what took place and you wanted to ensure that there was a good record as possible as to what occurred at the meeting. Is that right?---Yes, that’s right.

And so you sought to prepare that note within pretty short order of the meeting. Is that right?---That's right.

Can we have on the screen, please, page 116 of volume 16.

10 THE COMMISSIONER: And while that's up, one of the reasons a minute taker wasn't there was because you hadn't understood it would be a site-specific meeting?---That, that's right. I, I did take colleague from the Greater Sydney Commission with me as good practice, as much as pragmatic, but I don't think he was a big note taker, to be frank. So I certainly made sure I, I minuted everything I could. I remember that, that afternoon, coming straight out and doing it.

MR ROBERTSON: You weren't turning up to a meeting where you expected there to be a requirement to take significant detailed notes, were you?---That's right.

20 In fact what you contemplated that you were going to be doing was communicating publicly available information by way of a briefing to a member of parliament, correct?---That's correct.

And you see there on the screen business/lobbyist contact meeting record form.---Yes.

And is this the form that you used to record what occurred during the meeting with Mr Maguire?---For the avoidance of doubt, I made my own file note on my iPad and then it was transferred into this form in time.

30 And you had your secretary do that exercise, presumably?---That's right, yep.

40 And we'll just turn quickly to page 118. That's two pages further. Just scan down a little bit further. Are you able to help us why we've got two dates on this document? One's 5 May and one's 30 May.---I'm not a hundred per cent sure. It was me being cautious at the time because I had originally made the file note after the meeting, and it was not unusual for a delay between me giving notes that I'd made to my EA to put them into this template, and it would appear that it was put into a template, and often I will proofread it, and if I'm not happy with it, then I'll ask for changes to be made to reflect accurately the meeting. And the two dates down the bottom would reflect that I originally reviewed it on the 5<sup>th</sup> and I've, presume I was making the point that there wasn't such a significant delay between the meeting and me reviewing it initially and then come back with the amendments to it on the 30<sup>th</sup>. That, that would be my explanation for the two dates. That's unusual, very unusual that I would do that, to show that I'd actually considered it and asked for amendments to be made to reflect it.

But does that suggest that you were actually quite concerned about this note and you want to, as it were, dot the i's and cross the t's, even to the point of making it clear to anyone who might look at it that you might have looked at this note twice, once on the 5<sup>th</sup> and once on the 30<sup>th</sup>?---That's right.

In terms of the timing, the meeting appears to have taken place on 12 March, 2018. In terms of the version of the note that you prepared on your iPad, was that prepared on the 12<sup>th</sup> or a few days after the 12<sup>th</sup> or - - -?---No, it was the afternoon, is my recollection. I still have it.

10

So is it fair to say you were so energised about what happened in the meeting, you were a busy CEO of a significant organisation, you're not doing other work, you're recording it as quickly as possible.---That's right.

You record it on your iPad to get it down as quickly as you could, correct? ---That's right. That's correct.

But in due course, you wanted to put it in a more formal form, and this is the formal form that it was put in that we can now see on the screen.---That's correct.

20

It looks like you looked at a draft on 5 May and signed off on a final version on 30 May, is that right?---That's right.

And I take it you've looked carefully at this file note or record form in preparation for giving your evidence today?---Yes.

And do you confirm that what's said on this note is consistent with your recollection as to what occurred at the meeting on 12 March, 2018?---Yes.

30

The only thing I'd note is that I didn't comment, I didn't make a note of what was said about bureaucrats and - - -

THE COMMISSIONER: Do you ordinarily record disparaging comments of that nature?---Absolutely not. I would not record that. And noting that this would be formally put within a system, I didn't think it was appropriate to.

MR ROBERTSON: You recorded it because you were quite disturbed and perhaps angry at the particular comment, is that right?---And I wanted, again, to make sure that anything I said wasn't misconstrued and, hence, the sort of detail. I wouldn't kind of normally do a blow-by-blow, he-said-she-said sort of situation unless I was concerned that something would have been misinterpreted from the meeting.

40

But the reason you recorded the disparaging remarks on the first version was you were pretty disturbed, or at least angry, about that particular comment?---Yeah. Yeah, well, I, I can't recall if I actually made a record of

the comment in – I'd have to check the progression of that. I'm not sure if I did. But I certainly checked the note twice.

But the reference to the disparaging comment is not in this document - - -?  
---No.

- - - because you were trying to keep it sort of as objective as you could - - -  
?---Professional. Yes.

10 - - - in circumstances where it was going to be a formal record of a meeting in respect of which you had some concern. Is that right?---That's right.

And can I just have page 116 back on the screen just quickly, just so that I can be absolutely clear as to the timing.

See the reference to the meeting start time, 4.00pm and going to 5.00pm. Do you see that there?---Yes.

20 Is it consistent with your recollection that that was about the time of the meeting?---That was about the time.

And so in terms of your file note, was that prepared on the evening of the 12<sup>th</sup> or maybe you left it till the next day?---I believe, but I can't be a hundred per cent sure, but I believe I was exercised enough that I wrote it straightaway, but it could have been the next day, but I believe it was straightway.

30 I tender the document entitled Business/Lobbyist Contact Meeting Record Form, dated 30 May, 2018, pages 116 through to 118, volume 16, public inquiry brief.

THE COMMISSIONER: That will be Exhibit 245.

**#EXH-245 – GREATER SYDNEY COMMISSION BUSINESS OR LOBBYIST CONTACT MEETING RECORD FORM 12 MARCH 2018**

40 MR ROBERTSON: Did you take any other steps after this meeting to either record what occurred or to report it to anyone?---Yes, I did. So there was a number of emails that had been received by our Chief Commissioner and subsequently our Deputy Commissioner from Ms Waterhouse in the next week or so, and I wrote back on their behalf to her, but also we prepared a note to our minister at the time, Minister Roberts, just to really bring to his attention the meeting, what was discussed, for the avoidance of doubt, and to give some context, because Louise had also written to the

Premier around this matter, so really a briefing note to advise the minister of the context and that the meeting had discussed these matters.

Do you happen to know whether the Premier responded to the letter that went to her office?---No, I'm sorry, I don't know.

10 And do you happen to know whether that particular letter, you're obviously aware of its existence, do you know whether that was forwarded to some other minister for their response?---I wouldn't, I couldn't tell you off the top of my head, no.

THE COMMISSIONER: But did it come to you to prepare a draft response?---It, I, I would have to look into that. I mean it's not uncommon for letters that are relevant to us to be shared with us, when I say the Greater Sydney Commission, particularly if it went to the Premier on a matter that was relevant to what we were doing. I'm not sure if we were cc'd into the letter.

20 How did you find out about it, Dr Hill?---I can't recall. We had a lot of correspondence, I'd have to check to see. So I have a copy of the letter. It was cc'd to Minister Roberts, Minister, the Honourable Tanya Davies and Alan Jones, so I presume - - -

Alan Jones the journalist?---Yes. I presume it was also sent to us as perhaps for a response or for information, but I couldn't, couldn't recall.

MR ROBERTSON: What's the date of the letter that you've just drawn attention to?---12 March.

30 THE COMMISSIONER: So the day of your meeting?---Correct.

MR ROBERTSON: Do you know whether you provided a copy of that letter to the Commission?---Yes, it's in the bundle.

Now, we might get an additional copy because I'm not sure I've seen that one itself. Is that the only letter to the Premier in relation to Ms Waterhouse's site of which you're aware?---It's the only one I'm aware of, yeah.

40 And do you recall ever being asked to prepare a response on behalf of the Premier in relation to any communications from Ms Waterhouse?---No, I personally can't recall that.

Back to the ministerial briefing note. Was it standard procedure to provide a ministerial briefing note to your minister in relation to every briefing session that you have with a member of parliament?---We may give them the courtesy of advising them that we're briefing a member of parliament but we would not give a ministerial briefing note after that - - -

And so what made this one different?---The nature of the situation, and I think the, the series of emails and letters that were subsequently received, but I think the primary reason was we needed to bring it to the minister's attention that this meeting had happened. We were in, we were days away off taking the plan to cabinet and hence being asked to make sure that everyone was briefed on the work that we had done, so it was a sensitive time and it was an unusual step but certainly one we took to make sure that the minister, the minister's office was aware of the meeting.

10

So is it fair to say that the unusual nature of the meeting with Mr Maguire exercised you to not just prepare a detailed file note of the matter, but ensure that your minister was aware that the meeting had taken place?---I recall it was a suggestion of one of my staff, the person who was effectively in charge of governance and Cabinet matters, and her suggestion was we did that, because I was quite exercised about the meeting.

20

You were quite concerned about the meeting. You wanted to ensure there was a proper record, but you also wanted to ensure that, given that it was a concerning meeting, that your minister was aware that it had taken place, is that right?---That's right.

Can we go, please, to page 130 of volume 16. Is this the ministerial briefing note to which you referred a moment ago?---Yes.

See there towards the top it says, "Priority, high."---Yes.

30

Why is it marked "priority, high"?---I would say, for the avoidance of doubt, it was prepared by one of my colleagues. She would have categorised it as high, but she was aware of my concern about the meeting.

But you signed off on this note, is that right?---I did. I did.

You read it carefully before signing off on it?---Yes.

And you confirm that, at least so far as you're concerned, the note was accurately briefing the minister?---That's right.

40

And consistent with what you said before, the meeting was of such concern that you wanted the minister to be aware of it and to treat it with a degree of priority or concern, the minister herself.---I thought it was a priority that the minister was aware of it, and particularly going into Cabinet to finalise the plans.

The fact that in the days leading up to the draft plan becoming a final plan, that there's a meeting in Parliament House involving a landowner seeking to advocate, in substance, a change to that plan, that was a matter of considerable concern to you as a matter of probity, would you agree?--- Yes.

And a matter that you wanted properly recorded and drawn to the minister's attention, correct?---Yes.

I tender the ministerial briefing note that's on the screen, pages 130 through to 133, volume 16, public inquiry brief.

THE COMMISSIONER: That will be Exhibit 246.

10

**#EXH-246 – MINISTERIAL BRIEFING NOTE RE MEETING OF 12 MARCH 2018**

MR ROBERTSON: As well as providing that formal briefing, did you provide any verbal briefing to your minister as well?---The notes that I have indicate that me or my office verbally advised the minister's office. I can't recall that but we, we noted it.

20 Would that be fairly standard practice on at least a high priority briefing note to the minister?---Yes.

THE COMMISSIONER: Did you provide any feedback to Minister Pavey?---No. I, I never spoke to her again on the matter.

Thank you.

30 MR ROBERTSON: Did the meeting lead to any changes in any decisions that your commission made or, to your knowledge, that any other agencies who were present made?---Absolutely none, to my knowledge.

And, indeed, you would agree that it would be quite wrong to be influenced by a meeting of that kind, rather than it going through some form of a more formal procedure?---I would agree.

Particularly at that stage in the process, where the draft was almost final and it wasn't something that had been prepared over a few days or a few weeks. It was a matter of very significant consultation and procedure, is that right? ---That's right.

40

In terms of procedures of the commission while you were the CEO, in terms of public notification, was there some policy or procedure as to whether the commission would publish the fact that particular people have sought to propose things or have meetings or things of that kind?---So in preparing the plan, we had a submissions process so people could submit their ideas, but also developers and landowners could submit their thinking around what should happen within their area and on their site, and many of those submissions were made public. You can nominate for them not to be made

public, but we made everything public that we could in terms of the submissions. Yeah.

So all of the formal submissions were made public, is that right?---That's right.

And what about briefing meetings of the kind that you and I have been discussing today?---Well, we always keep a record of meetings, but they weren't provided on our website like the submissions were.

10

So in relation to, for example, owners or developers who might have signed the relevant forms, probity adviser, et cetera, was there some publication of that or was it just a record that was kept internally?---A record that was kept internally.

20

And I take it a similar approach applies in relation to briefings of members of parliament. A record was taken but it wasn't necessarily published that you met with Mr Maguire on a particular day or met with some other member of parliament on a particular day.---That's right. It was recorded but not made public on the website.

After the meeting of 12 March, 2018, did you have any further dealings with Mr Maguire?---No.

What about Ms Waterhouse?---Oh, I have met her since then or, or seen her and met with her since then, yes.

30

And she's continued to be a proponent in relation to her land, is that right? ---Yes.

Sent a number of emails after 12 March, 2018?---Yes.

Sent a letter, at least one letter to the Premier of which you're aware?---Yes.

But she's continued to lobby as it were, at least on her own behalf, in relation to her land.---Yes.

40

But you've never had some other meeting of the kind that you had with Mr Maguire in relation to Ms Waterhouse or indeed anyone else, is that right? ---Never had another meeting.

That's the examination, Commission.

THE COMMISSIONER: Yes, thank you, Mr Robertson. Mr Harrowell, did you wish to ask Dr Hill any questions?

MR HARROWELL: No, Commissioner.

THE COMMISSIONER: Ms McEniery, do you wish to ask Dr Hill any questions?

MS McENIERY: Commissioner, I'd request that I have maybe a short adjournment in order that I can confer with Dr Hill. I don't anticipate that I will have any questions for her, but I would appreciate the opportunity to confirm with her.

10 THE COMMISSIONER: Yes, very well. We'll take a short adjournment for that purpose.

### SHORT ADJOURNMENT

[12.26pm]

THE COMMISSIONER: You continue to be bound by your oath, Dr Hill.

MR ROBERTSON: Commissioner, in your leave, can I just tidy up a couple of matters with Dr Hill?  
20

THE COMMISSIONER: Yes.

MR ROBERTSON: First, you were explaining some of the public disclosure of things like proposals and submissions that are made in relation to the plan. Is it also right that, in your time as CEO, there was a thing called a registered lobbyist contact register?---Yes.

30 And is it right that that's populated with, as the name suggests, contacts made by registered lobbyists?---Yes.

And that's a document that's made publicly available, is that right?---Yes. A list of, of meetings held or requests, are made public on the website.

Can we have, please, the letter addressed to the Premier on the screen, please. You'll remember that before the adjournment you were giving some evidence about a letter that Ms Waterhouse sent to the Premier of which you are aware.---Yes.

40 I'm just going to try and have that brought up on the screen. It's a letter dated 12 March, 2018, from an organisation described as the Badgerys Creek West Landowners Group. Do you see that there?---Yes.

Is that the letter that you were referring to?---Yes, it is.

And do you recall how you became aware of this letter?---No, I can't recall.

And do you recall whether either you prepared a response to this letter, or a draft response, or had any involvement in a response to this letter?---I

personally don't have a recollection and I don't have it in my file but it may be something that someone else at the commission dealt with.

THE COMMISSIONER: Dr Hill, this doesn't appear to be from Ms Waterhouse, it's signed by a Carmelo Aloschi, somebody from the landowners group.---Yes. And there was a series, a subsequent series of 40-odd signatures from it, but my understanding is that this was pulled together by Ms Waterhouse, or prepared with them, and certainly aligns with the matters that we were discussing.

10

Can you recall how you came to that understanding?---In the meeting she advised that she was meeting with other landowners but I can't recall the nature of this letter. My understanding was it was something that she had prepared, but it is certainly signed by someone else, as well as the next few pages, show another 47 signatures or to that effect.

20

MR ROBERTSON: Can we just go one further page. At least as you understood it, Ms Waterhouse was what I might describe as a leading member of this particular group?---She certainly said that she was working with the other landowners, yes, and they were very concerned was my recollection.

And not just the other landowners, but the landowners that were promoting themselves, as it were, under the title of that action group. Is that right?---I don't know these people or the action group other than she certainly raised that others had concerns, and I recall some sort of reference to her working with them in this regard.

30

And so she was advocating regularly, both on her own behalf and at least ostensibly on behalf of a larger group of landowners. Is that right?---She certainly made reference to the concerns that they had.

And I take it the landowners we're talking about are those principally to the west of the M9 Orbital?---I couldn't say without being clear on, on exactly where these lots are, but that was in the inference from the meeting, yes.

40

But at least people in that physical location are likely to have similar kinds of concerns, at least some overlap of concerns with the ones that you understood that Ms Waterhouse had. Is that right?---Yeah, I recall concerns about the impact of the, the airport and the lack of roads to collectively their land.

Just go back to the first page, please. I tender the letter dated 12 March, 2018, from Badgerys Creek West Landowners Group to the Premier, Ms Berejiklian.

THE COMMISSIONER: That will be Exhibit 247.

**#EXH-247 – LETTER FROM BADGERYS CREEK WEST LAND OWNERS GROUP 12 MARCH 2018**

MR ROBERTSON: The one that's on the screen, is that the only letter that you can recall that Ms Waterhouse either sent on her own behalf or had some involvement in that was sent to the Premier and concerned her land in Western Sydney?---That's the only one that I'm aware that was sent to the Premier, or I can recall.

And as a matter of practice, if a member of the public was to write perhaps to the Premier or perhaps to your minister, on a matter that was relevant to the commission's work, was it common that the minister would refer that letter, or perhaps the Premier would refer that letter to the commission for a response?---If it was, if factual information was required to inform the response, we could be asked to, to provide some information, yes.

But is it right to say that in the ordinary course, the response would be dealt with in the minister's or Premier's office, albeit that office might request information from the commission in order to inform that response?---That's right.

And can we have please the 28 March, 2018, letter on the screen? Do you see here a letter from Ms Waterhouse - - -

THE COMMISSIONER: To Ms Waterhouse.

MR ROBERTSON: To Ms Waterhouse, I'm sorry, from you. And I can assist by indicating it was 28 March, 2018. You see that on the screen? ---Yes, I can.

And can you recall the circumstances in which you came to send that letter? ---I recall a number of emails had been sent to the chief commissioner and the deputy chief commissioner, and they had asked me to send a response to them collectively, on behalf of the commission.

And so this is, as it were, a response to at least some of the emails that you referred to in your evidence a little bit earlier today, about further communications from Ms Waterhouse after the meeting with Mr Maguire on 14 March, sorry, the 12 March?---That's right.

I tender the letter that's on the screen, letter to Ms Waterhouse from Dr Hill, 28 March, 2018.

THE COMMISSIONER: Exhibit 248.

**#EXH-248 – LETTER FROM CEO GREATER SYDNEY  
COMMISSION TO L WATERHOUSE 28 MARCH 2018**

MR ROBERTSON: That's now the examination.

THE COMMISSIONER: Mr Harrowell?

MR HARROWELL: No, Commissioner.

10

THE COMMISSIONER: Ms McEniery? Do you wish to - - -

MS McENIERY: No, Commissioner.

THE COMMISSIONER: Very well. I take it I shall discharge Dr Hill?

MR ROBERTSON: Yes, please.

20

THE COMMISSIONER: Thank you for attending, Dr Hill. You may step down, and you are discharged from your summons to attend the public inquiry.---Thank you.

**THE WITNESS EXCUSED**

**[12.46pm]**

30

MR ROBERTSON: Notwithstanding the time, I do propose to call the next witness now, with a view to getting him and his counsel away at the earliest opportunity.

THE COMMISSIONER: Yes, by all means.

MR ROBERTSON: I call Mr Sowter.

THE COMMISSIONER: Mr Sowter, please come forward and stand at the witness box. Do you wish to take an oath or make an affirmation?

MR SOWTER: Oath.

40

THE COMMISSIONER: Could you stand, please, and take the Bible?

THE COMMISSIONER: Thank you. Please be seated. Mr Korbel, have you explained to Mr Sowter his rights and liabilities under the Independent Commission Against Corruption Act?

MR KORBEL: Yes, I have, Commissioner, and Mr Sowter seeks a declaration under section 38.

10

THE COMMISSIONER: Thank you. Mr Sowter, can you listen very carefully to what I'm about to explain to you?---Yep.

As a witness, you must answer all questions truthfully and produce any item described in your summons or required by me to be produced. You may object to answering a question or producing an item. The effect of any objection is that although you must still answer the question or produce the item, your answer or the item produced cannot be used against you in any civil proceedings or, subject to two exceptions, in any criminal or disciplinary proceedings.

20

The first exception is that this protection does not prevent your evidence from being used against you in a prosecution for an offence under the Independent Commission Against Corruption Act, including an offence of giving false or misleading evidence, for which the penalty can be imprisonment for up to five years. The second exception only applies to New South Wales public officials, which I understand you are one. Evidence given by a New South Wales public official may be used in disciplinary proceedings against the public official if the Commission makes a finding that the public official engaged in or attempted to engage in corrupt conduct. I can make a declaration that all answers given by you and all items produced by you will be regarded as having been given or produced on objection. This means you do not have to object in relation to each question or the production of each item and I understand you wish me to make that declaration.---Yes, please.

30

Very well. 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 his evidence at this public inquiry are to be regarded as having been given or produced on objection, and there is no need for him 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 HIS EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION, AND THERE IS NO NEED FOR HIM TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.**

THE COMMISSIONER: Yes, Mr Robertson.

10 MR ROBERTSON: Can you state your full name, please.---Jock Edward Sowter.

You were the parliamentary liaison officer for the Honourable Melinda Pavey MP between February of 2017 and May of 2019. Is that right?  
---Would have been March, would have been the state election that I ceased with Minister Pavey.

So to about March of 2019. Is that correct?---Yes, correct, at the state election.

20

At that point in time she was the Minister for Roads. Is that right?  
---Roads Maritime and Freight.

And the chief of staff under whom you worked was Ed Martin. Is that right?---Edward Martin, yes.

You are now the Director of Strategy for the Deputy Premier. Is that right?  
---Correct.

30 Can you just explain in general terms what a parliamentary liaison officer is?---So it's the point contact for MPs to come and see a minister's office. So if they want to come to you and talk about a local roads issue, they will come and see you. You will also oversee all the parliament duties such as organising house folder notes, questions on notice, parliamentary reports and that kind of stuff.

40 So does that mean as a member of the general public I don't have access to a parliamentary liaison officer, rather the persons who have access to a parliamentary liaison officer at least in the ordinary course are the minister and the members of parliament?---In ordinary course, yes.

And you say in the ordinary course. What exceptions might apply to that?  
---Look, if someone refers, you know, if you know someone outside of the building but they've sort of got to know you to be able to have your contact otherwise they're not going to know who to contact.

And so you might, you might deal with a member of the general public but at least in the ordinary course only if either the minister or some member of

parliament might introduce you to that person and say, can you provide some assistance to that individual.---Correct.

10 In terms of dealings with people outside of parliament, so people who aren't members of parliament, is there some process in terms of keeping track of the dealings that you might have as a parliamentary liaison officer with members of the public?---Meeting with general members of the public was a very rare occurrence. The only time it really ever happened was when you were dealing with an MP and they would bring someone into the conversation, and if that ever happened it was always a conversation just in the office with your chief of staff and other members in the office to make note that that's what had occurred.

20 And in a scenario of that kind was there some formal record-keeping process so that it was know that you and perhaps the chief of staff had met with a particular member of the public or does the meeting just happen and it may appear in someone's diary but no other formal record-keeping process taking place?---As best as I can remember it just sort of happens, but I always try to notify my chief of staff of what's going on.

But what if someone's coming to in effect lobby the minister in relation to some issue of policy or something along those lines, is there some formal record kept of that meeting?---So if they're meeting with the minister, yes, there is, it's through diary disclosures.

But what about members of the minister's staff but not involving the minister directly?---To the best of my knowledge there's no direct process that I go through, but I just notify my chief of staff out of courtesy.

30 So at least as a matter of practice you would want to keep your chief of staff informed as to the particular people that you were meeting with from time to time. Is that right?---Correct.

Does that also apply in relation to contact with members of parliament or is that too common to have a procedure of that kind?---As a parliamentary liaison officer you're dealing with parliamentarians and their officers on an almost daily basis, so it wasn't, it wasn't a common thing to notify them about that.

40 So really you're a go-between between those individuals.---Yeah.

If a particular backbencher has got an issue complaint, proposal et cetera in your minister's portfolio area, you will ordinarily be the first port of call to deal with a matter of that kind. Is that right?---Correct.

And I take it that sometimes it happens indirectly as well. Your minister might say to you, the member for so-and-so has raised this particular issue,

can you raise it with the department and get some information, so that either I can respond to them or perhaps you can respond to them directly?

---Correct.

So that's really in a nutshell the, as the name suggests, parliamentary liaison officer role. It involves being someone in the nature of a middle person between the minister, members of parliament and which might sometimes involve getting information or data from the minister's department.---That is correct.

10

But it's not usually a forward-facing role in the sense of having regular meetings with constituents and things of that kind.---No, no.

Sometimes on the request of the minister you may well be involved with particular members of the public, might attend meetings, things of that kind, perhaps with the minister or perhaps with the chief of staff?---Correct.

20

But that's a relatively rare occurrence as parliamentary liaison officer. ---Particularly for a parliamentary – yes, particularly for a parliamentary liaison officer.

Have you met Mr Daryl Maguire?---Yes, I have met with Mr Maguire. When did you first meet Mr Maguire, can you remember?---So when I first took up the role with Minister Pavey I went around to all government MPs and met with all of them on a one-on-one basis for about approximately 15 minutes, just to get an understanding of their roads issues within their electorate.

30

And that's really a good example of the kind of thing that parliamentary liaison officers do to assist the minister in the particular portfolio, in this case the Roads portfolio. The minister wants to know what various members of parliament think in that area, and you want to inform yourself, as the liaison officer, because at some point in time someone's going to call you up and say, "What's going on with this particular road in my electorate," et cetera. Is that right?---Correct.

40

Have you ever had any discussions with Mr Maguire, when he raised questions regarding land in Badgerys Creek owned by interests associated with the Waterhouses?---Yes, he has raised those matters with me before.

When did he first raise matters of that kind with you?---So I can't remember the exact date, but it was around, it was towards the end of 2017 that he started raising those matters with me.

And where did that take place, do you recall?---The first meeting was in the foyer of the Premier's office.

How did it come that you were in the foyer of the Premier's office on that day?---So Minister Pavey had come back from a meeting in the Premier's office. I'm not sure what that meeting was. She'd come back and said, "Look, Daryl Maguire's downstairs, Jock. Can you go down and find out what he wants? He wanted to have a chat for five minutes or something. Can you just go down and see him?"

Now, when you say downstairs, the minister's telling you he's downstairs where?---Downstairs in the Premier's office.

10

And the Premier's office you're referring to now is the Premier's office in Parliament House, rather than her office in 52 Martin Place, is that right?  
---Yes, correct.

So the minister makes contact with you and says, in effect, "Mr Maguire is in the Premier's office, go and see him." Is that right?---Yeah, she, I think she said that, you know, he tried to get her attention but she had other meetings. She said, "Look, he's down in the Premier's office. Can you just go down and see him and see what he wants." To that effect.

20

I see. So as you understood it from Minister Pavey, Mr Maguire was trying to raise something with the Premier?---I don't know whether she was trying to raise something with the Premier. All I understood was that Mr Maguire was downstairs in the foyer of the Premier's office. He had tried to raise an issue with Minister Pavey and she was obviously, to me, or to my understanding at the time, she had other meetings on that morning and she had sent me down as the parliamentary liaison officer.

So Minister Pavey has a meeting with the Premier, correct?---Yes.

30

It's about a subject matter of which you're not aware, correct?---Correct. I, look, I think it may have been Cabinet. I think.

Minister Pavey then, by the sounds of it, bumps into Mr Maguire in the foyer of the Premier's office, is that right?---That was my understanding.

And just to understand the general set-up of the Premier's office Parliament House, when you come off the corridor, there's basically a sitting area, foyer-type area, is that right?---Yes, correct.

40

And so that's, in effect, the reception area of the Premier's office.---Correct.

It's got some couches and have the daily newspapers and all that kind of thing.---Correct.

It's the kind of place you might sit to wait in the event that you got a scheduled meeting with the Premier, but she's still in her office and she's not ready for you.---Yeah, or her staff.

Or perhaps her staff as well. And Minister Pavey, as you understood it, effectively bumps into Mr Maguire somewhere in the Premier's office area, is that right?---My understanding was that she had run into him while he was in the foyer. That was my understanding from what she had described to me.

THE COMMISSIONER: The foyer of the Premier's office?---Correct.

10 MR ROBERTSON: And so at least the message that was communicated is that Mr Maguire is situated in the foyer of the Premier's office, the reception area that you and I just talked about.---Yep.

"He wants to raise some issue. I don't have time. Go and see him."---Yes.

"Go and see her", I'm sorry – sorry, go and see Mr Maguire.---Yes, go and see Mr Maguire.

20 And that's the kind of thing that, as a parliamentary liaison officer, you'd do all the time because that's part of your role.---Correct.

Assist your minister in communications with members of parliament.---Yep, correct.

So I take it you comply with that instruction and attend immediately to the foyer of the Premier's office?---Correct.

30 And what happens then?---So I walk into the foyer of the Premier's office. Mr Maguire is seated there with Ms Waterhouse.

What happens then?---I sit down and Mr Maguire introduces me to Ms Waterhouse. Ms Waterhouse then takes me through her, I think it's called the SmartWest Project in Western Sydney, and says, look, they've got a roads issue that they, that they want fixed in relation to the development. To the best of my recollection, they wanted an intersection moved and they were seeking assistance in having that intersection moved for their benefit.

40 So why is all this happening in the Premier's office, rather than somewhere else in the building?---I don't know.

And this isn't a formal meeting-room sort of space, is it? It's just the foyer area, a couple of couches where you might wait, and in the ordinary course you might go somewhere else for a meeting.---That is correct.

But, what, it happened there simply because Minister Pavey said, "Go and see Mr Maguire there," and it then in effect happened immediately, is that right?---That's, that's correct.

Before meeting Ms Waterhouse on that occasion, had you met her before?  
---Not that I can recall.

And so I take it that as part of this meeting, you were introduced to Ms Waterhouse?---Correct.

Was there an exchange of business cards and things of that kind?---I, I, yes, I believe I did exchange business cards with her.

10 Do you recall what business card Ms Waterhouse gave you?---Yes. Oh, to the best of my memory, it was the, that she was the Consular General for the Kingdom of Tonga.

Was that a matter that came as some surprise to you?---Yes. Oh, in the terms of being surprised, oh, you know, I mean, you don't every day meet someone from a, you know, what I perceive to be a foreign government or a representative from a foreign government.

20 Much less in the Premier's office.---Correct.

In terms of the discussion about the intersection issue and the road issue, who was doing the talking? Was it Ms Waterhouse, or Mr Maguire, or was it a bit of both?---So I, well, my recollection, I think Ms Waterhouse was sort of taking me through the project. It was a brief overview of the project, and then spoke about the intersection, and I think, you know, Mr Maguire added, you know, little bits here and there to the, to the conversation.

30 As you understood it, what did Mr Maguire have to do with this question of a road in relation to the SmartWest Sydney project?---Oh, look, I, I, I didn't know. He didn't make any reference to it. He just said, "This is, this is Louise Waterhouse, she's got a problem, can you assist?"

But Ms Waterhouse wasn't a constituent of Mr Maguire as you understood it, I take it?---Yeah, correct.

40 Mr Maguire didn't have any portfolio responsibilities in relation to the SmartWest Sydney area, including Badgerys Creek, et cetera?---Not that I can recall. I recall that he was a parliamentary secretary, but I can't recall what that was for.

He was the Parliamentary Secretary for the Centenary of ANZAC, Counterterrorism, Corrections and Veterans, just to assist you.---Okay, thank you.

None of which at least seem to me to be relevant to what might be happening around Western Sydney.---No.

But he didn't explain why he had any interest in the matter?---No, not that I can recall.

And so the particular thing that was discussed had something to do with an intersection or a road, is that what you're saying?---Oh, if, yeah, that's, well, that's to the best of my recollection, correct.

And it was Ms Waterhouse was raising that particular issue, is that right?  
---Correct.

10

And so what was Ms Waterhouse, as you understood it, or perhaps Mr Maguire, asking you to do?---So to the best of my recollection, they wanted an intersection moved about 350 or 400 metres or, you know, a couple of hundred metres. I can't remember whether it was north or south, which then, I, to the best of my memory, meant that they could open up their land and, and it would be developable.

20

And did anyone explain why they wanted that to take place? You said to make the land - - -?---I, I, I, I, look, I, I don't think anyone – no, I don't, I don't recall anyone saying why they wanted, other than I just assumed it was for their, their development, whatever they were doing.

And so it was at least made clear that it had some relevance to the ability to develop the land, is that right?---That was my understanding.

So Ms Waterhouse is obviously turning up with a view to getting a decision made that might assist in her financial interests. Is that right?---That was my understanding.

30

And did Mr Maguire say anything in connection with that matter? Was he trying to encourage something to be done as well? Or was he just sitting back and giving the introduction and not much more?---I can't recall. My, my recollection of the meeting was that Mr Maguire, you know, said, look, here's a development and, you know, it's going to create all these jobs and do all these things and, you know, it would, I guess, in a very general sense be a good thing, but he wasn't very much pushing it. It was very much Ms Waterhouse who was taking the lead in the conversation.

40

Do you recall whether you were shown or given any documents regarding the issue that Ms Waterhouse was raising?---So I remember a glossy brochure about the project and its benefits and that kind of stuff.

And can you remember roughly what it looked like? Was it some big document or small document or whatever?---I think it was, I think it was an A3. It was landscape, if I can remember, to the best of my recollection.

So it was a large, it was a large glossy-type document identifying the particular concern that Ms Waterhouse had, is that right?---Correct.

Did Mr Maguire – and that particular document, were you given that to take away or was that just shown to you?---No, I think I kept that document.

And is it right to say that the message, as you understood it, that was being communicated by Ms Waterhouse is that she wanted you to go back to your minister with a view to getting that particular road or intersection moved, if possible?---Yeah, they certainly wanted the intersection moved, and they were certainly seeking assistance in, in seeing if this intersection could be moved.

And that's why they're talking to you, because your minister, at least in their mind, might have some influence on that matter.---Obviously, yeah, as Roads Minister.

Did Mr Maguire indicate to you, during that meeting, that he could personally stand to benefit in the event that Ms Waterhouse's request was successful and was met?---No.

20 Is that a convenient time, Commissioner?

THE COMMISSIONER: Yes. How much longer do you think you'll be?

MR ROBERTSON: I think I'll be about half an hour. Half an hour to 45 minutes.

THE COMMISSIONER: Very well. Shall we take the full luncheon adjournment?

30 MR ROBERTSON: I think my learned friend for Mr Sowter has a practical difficulty. I'm content to have a shorter lunch if that would assist him. I'm just not sure exactly what that practical difficulty is.

THE COMMISSIONER: Mr Korbel, do you have a practical difficulty with us – ordinarily we'd adjourn for an hour for lunch.

MR KORBEL: Commissioner, it's a personal difficulty for me, not to Mr Sowter. It's just that travel arrangements have been made to fly out of Sydney based on an expectation that Mr Sowter was going to be heard a bit earlier in the day. So if we were going to be finished by, say, quarter past 40 2.00, then that would suit me. But if it's going to go beyond that anyway, then I'm happy for the Commission to.

THE COMMISSIONER: Why don't we just take a very short lunch and resume at 1.30, Mr Robertson?

MR ROBERTSON: I'm entirely content with that.

THE COMMISSIONER: Very well.

MR KORBEL: I'm very grateful, thank you, Commissioner.

THE COMMISSIONER: We'll adjourn for half an hour for lunch.

**LUNCHEON ADJOURNMENT**

**[1.06pm]**