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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE RUTH McCOLL AO  
COMMISSIONER

PUBLIC HEARING

OPERATION KEPPEL

Reference: Operation E17/0144

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON WEDNESDAY 14 OCTOBER, 2020

AT 10.00AM

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

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

THE COMMISSIONER: Yes, Mr Robertson.

MR ROBERTSON: Commissioner, today I'll call Mr Daryl Maguire. I'll be at least the whole of today and at least most of tomorrow and it's possible that I'll continue into Friday. As presently advised, I still anticipate that the main part of the public inquiry will be finished during the course of this week. I should indicate that, as presently advised, I don't propose to recall any of the witnesses that I've so far called in the public inquiry. Although there are some conflicts in the evidence as between certain witnesses, my present view is that all witnesses who have so far been called have had a sufficient opportunity to respond to the substance of the evidence that's now before the Commission or at least will have such an opportunity as part of the submissions process. But if any witness or their representative has a different view in relation to that matter I'd be grateful if they could draw that to the attention of the Commission so that I can consider my position accordingly.

Obviously enough, what I've just said will be affected by what happens during the course of the next couple of days so that may affect the position. For the moment I don't intend to recall any of the witnesses who I've called so far in the public inquiry. As I've said on a couple of occasions, I've deliberately used the phrase "main part of the public inquiry". As the Commission will appreciate, there's various evidence that has emerged during the course of the inquiry, including evidence that's the subject of further review, one example being the hard drive that Ms Cartwright referred to. That means that it's possible that the Commission will need to take some further evidence, be that in public or private. That's why I've deliberately used the word main segment of the public inquiry rather than the public inquiry in whole.

THE COMMISSIONER: Yes.

MR ROBERTSON: That's the only housekeeping matters from my perspective. I call Daryl Maguire.

THE COMMISSIONER: Mr Maguire, do you wish to take an oath or make an affirmation?

MR MAGUIRE: Affirmation.

THE COMMISSIONER: Very well. Please listen to the officer.

THE COMMISSIONER: Please be seated. There's some water in the witness box, Mr Maguire.---Thank you, Commissioner. Thank you.

Mr Harrowell, I take it you've explained to Mr Maguire his rights and liabilities under the Independent Commission Against Corruption Act?

10 MR HARROWELL: Yes, I have, Commissioner. I would also seek a section 38 declaration.

THE COMMISSIONER: Very well. Mr Maguire, 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  
20 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, of which you were – at one stage at least – one.

30 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 the 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 gather from Mr Harrowell you wish me to make that declaration.---Yes.

40 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.

**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.**

10 THE COMMISSIONER: Yes, Mr Robertson.

MR ROBERTSON: Can you state your full name, please.---Daryl William Maguire.

You were the Member for Wagga Wagga from 27 March, 1999 to 3 August, 2018?---Yes.

You were appointed as Opposition Whip after the 2003 state election?  
---Yes.

20

You became Government Whip after the Coalition won government in 2011. Is that right?---Yes.

Appointed I think by Barry O'Farrell. That was the Barry O'Farrell Government. Is that right?---Yes.

You were appointed by Premier O'Farrell as a parliamentary secretary in 2014. Is that right?---Yes.

30 Reappointed by Premier Baird after he became Premier?---Yes.

And reappointed by Premier Berejiklian after she became Premier. Is that right?---Yes.

Premier Berejiklian appointed you I think as the Parliamentary Secretary for the Centenary of Anzac, Counter-Terrorism, Corrections and Veterans. Is that right?---Yes.

40 You were also the chair of the New South Wales Parliament Asia Pacific Friendship Group from 2011 until your resignation from parliament in 2018. Is that right?---Yes.

Whilst you were a member of parliament you understood, didn't you, that you had an obligation not to use your position to promote your own pecuniary interests or those of persons close to you in circumstances where there was a conflict or a real or substantial possibility of conflict between those interests and your duty to the public?---Yes.

And you understood that duty throughout the time you were a member of parliament. Is that right?---Yes.

You understood that you had an obligation not to use your influence as a member of parliament to seek to affect a decision by a public official to further your private interests or that of an associate?---Yes.

You understood that obligation throughout the time that you were a member of parliament. Is that right?---Yes.

10

Whilst you were a member of parliament you were also aware that you were bound by the Code of Conduct for Members. Is that right?---Yes.

And as part of that code you acknowledge your responsibility to maintain the public trust placed in you by performing your duties with honesty and integrity, respecting the law and the institution of parliament and using your influence to advance the common good of the people of New South Wales. Correct?---Yes, yes.

20

You also understood that under that code you had obligations to declare any gifts and benefits?---Yes.

You had obligations as to the proper use of public resources, including ensuring that public resources were only deployed in accordance with relevant guidelines and rules.---Yes.

Whilst you were a member of parliament you were also aware that you had obligation to make disclosures under the Constitution (Disclosure by Members) regulation?---Yes.

30

And those obligations included a requirement to disclose all sources of income. Correct?---Yes.

To disclose the receipt of any gifts. Correct?---Yes.

To disclose contributions made to your travel expenses. Correct?---Yes.

To disclose interests and positions in corporations?---Yes.

40

And to disclose any engagement to provide any service that involves the use of your parliamentary position to assist a client.---Yes.

You are also aware that you were entitled to make, if you wanted to, discretionary disclosures under the Constitution (Disclosure by Members) regulation?---Yes.

And so as you understood it, even if there wasn't a technical duty to disclose in a particular area, it was open to you in the interests of full disclosure and

transparency, to draw that to attention by way of a disclosure under that regulation. Is that right?---Yes.

You're also aware that on 20 September, 2014, the New South Wales Ministerial Code of Conduct came into force?---Yes.

You were a parliamentary secretary at the time that that code of conduct came into force, is that right?---Mmm, yes. Mmm, yes.

10 And you're aware that that code of conduct, although it's called the Ministerial Code of Conduct, at least parts of that applied to you in your capacity as a parliamentary secretary?---Yes.

One of the obligations under that ministerial code, as you understood it, was to not act dishonestly, to act only in accordance with what you considered to be the public interest, and not to act improperly for your private benefit or the private benefit of any other person in the exercise or performance of your official functions, correct?---Yes.

20 You understood that that was one of the requirements or obligations under the Ministerial Code of Conduct, correct?---I do recall that.

And you understood that at the time that you were a parliamentary secretary. It's not just something that you found out since, is that right?---I do recall it, yes.

In fact, I think you received some training and information regarding the Ministerial Code of Conduct at or around the time that the code of conduct was introduced, is that right?---I don't recall training, but I received  
30 documents.

It was at least forwarded to you in advance of the code of conduct coming into force, to indicate these are some new obligations that will apply to you in your capacity as a parliamentary secretary, is that right?---I believe so. I believe so, yes, mmm.

But do you recall also receiving some individual briefings or training regarding the New South Wales Ministerial Code?---I don't recall that I did.

40 I might just help with your recollection.---Yes.

Can we go, please, to Exhibit 109. It's volume 24, page 16. Just to remind you about that. So the start page of the document that refers to the Code of Conduct for Members, but I'll ask the operator to go through to page 16. And you'll see there your name and the date of 11 September, 2014. See that there?---Yes, I see that.

So this is a statement of information that's come from the Department of Parliamentary Services and from the Department of the Legislative Assembly. And if we just turn back to page 15, you see there a table of individual briefings held with parliamentary secretaries. Do you see that there?---Yes.

Now, does that refresh your memory that you had a briefing concerning the requirements of the Parliamentary Code of Conduct?---No, it doesn't.

10 Do you recall whether you had any briefing, for example, concerning your obligations in relation to disclosure of travel and things of that kind?---I don't recall that.

But in any event, it was sufficiently clear to you at the time that the Ministerial Code of Conduct came into force, on 20 September, 2014, what obligations you would have under that code, is that right?---Yes.

20 One of those obligations was to not knowingly conceal a conflict of interest from the Premier, correct?---Yes.

One was to not improperly use public property, services or facilities for the private benefit of yourself or any other person, correct?---Yes.

Another obligation was to provide to the Premier a copy of your returns under the Constitution (Disclosure by Members) regulation?---Yes.

30 And not just to provide those returns, but to provide continuous disclosure and continuous updating of any events that would ultimately be required to be disclosed under that regulation as soon as practicable, is that right?  
---Yes.

So in other words, it wasn't enough to simply put in an annual return whilst you were a parliamentary secretary. If something happened between annual returns, you understood that you had to update the Premier as to that change in position, is that right?---I should have. I should have.

Well, you understood that you had an obligation to do so under the New South Wales Ministerial Code of Conduct, is that right?---Yes.

40 You're also aware, aren't you, that the New South Wales Ministerial Code of Conduct does not include a general prohibition on parliamentary secretaries engaging in secondary employment. Is that right? Or did you understand, as parliamentary secretary, you were not entitled to engage in what I might call outside employment, outside of your duties - - -?---Yes.

- - - as a member of parliament and parliamentary secretary?---I, well, yes.

Well, what was your understanding at the time? Did you think the rule was that you weren't allowed to have any outside employment? Or did you understand that there was some class of outside employment that was permissible?---I really don't recall what I thought at the time. Can you ask that question again, please, Mr Robertson?

I can. What I want to know is what was your understanding – we might deal with it in parts.---Yes, please.

10 At the time before you were a parliamentary secretary, so when you were an ordinary, not ordinary but a backbench member of parliament and/or as Opposition Whip or Government Whip, did you have any understanding as to whether there was any restrictions in your right to engage in what I call outside employment, so not performing your duties as a member of parliament or any other related offices but rather being involved in outside activities, be they in the property development industry, be they in areas of export/import or anything else?---I didn't, I didn't, I didn't believe that I had restrictions, that there were restrictions.

20 When you were an ordinary member of parliament?---Yes.

By which I mean not holding either a ministerial office or as parliamentary secretary.---Yes.

As you understood it, there were no relevant restrictions other than obviously you're not entitled to use the outside employment in a way that affects your public duties in an improper way.---Yes.

30 So for example you couldn't use the facilities available to you as a member of parliament in order to progress outside business interests. That was your understanding of the position as a member of parliament who wasn't a parliamentary secretary. Is that right?---Yes.

And did you have any understanding as to whether that rule changed or that position changed at the time that you became a parliamentary secretary?  
---(No Audible Reply)

40 Was it your understanding that, at that point in time, you were no longer entitled to engage in outside employment or was it your understanding that you could engage in some kind of outside employment or activities?---Well, it's my, well, it's my understanding that I could do personal activities whether it be business investment and things that already existed but I should have understood.

To be clear so you're not misled in any way, the provisions of the Ministerial Code of Conduct in relation to parliamentary secretaries, the ones that deal with secondary employment do not apply to parliamentary secretaries. So if your understanding was that there was no general

prohibition on outside employment, then that understanding is correct, at last as I understand it, on that ministerial code. Does that make sense?  
---That's what I thought.

And so are you saying at the time you thought that there was no general prohibition, you were allowed to engage in outside activities as long as you don't do it wrongfully, such as misusing your office, being in a conflict of interest, things of that kind. Is that right?---Yes. Yes.

10 Now, in relation to your role as chair of the New South Wales Parliament Asia Pacific Friendship Group, I take it that you were aware at that point in time that parliamentary friendship groups were subject to the parliamentary friendships group policy of the parliament?---Yes.

And you knew that that policy prohibited friendship groups from undertaking activities of a commercial nature?---Yes.

20 And there was one little exception to that, which was in relation to sponsorship for charitable donations, but as you understood it, subject to that exception, friendship groups were not entitled to engage in activities of a commercial nature. Is that right?---That's right. I can't recall when that code was actually written for the groups.

30 But the prohibition on friendship groups undertaking activities of a commercial nature under the relevant policies, that was in force throughout the period of time in which you were chair of the Asia Pacific Friendship Group, do you agree, or are you suggesting you've got some recollection of that not being the rule and it being introduced at some later point?---Well, I, I don't have a recollection of, of that particular document that states that, as in when it came about. I don't know when it was introduced.

Well, I might help you this way. If we go to volume 4, please, Exhibit 154. I'll show you a document that might assist you on that topic.---Thank you.

Go to volume 4, page 1. I may have misspoke as to the exhibit number. It's Exhibit 108. And do you see there a Parliamentary Friendships Group Policy of May 2011?---Yes.

40 And I'll just show you on the next page 3(f), "The group must not undertake activities of a commercial nature other than obtaining sponsorship for charitable donations." Do you see that there?---Yes, I see that. Yes.

If we just go back to the first page. That was May of 2011. So is it consistent with your recollection that, at least as at May of 2011, it was prohibited under the relevant policy for a parliamentary friendship group, like the Asia Pacific Parliamentary Friendship Group, to engage in activities of a commercial nature?---Yes.

Subject to the small exception that we can see on the screen.---Yes.

And you understood that at the time that you were the chair of the Asia Pacific Friendship Group, is that right?---I would have to agree, yes.

Well, you don't have to agree, but do you agree that, as you understood it as chair, it would be wrong – at least as a matter of policy – for the Asia Pacific Friendship Group to get involved in activities of a commercial nature?---Mr Robertson, I, I see the document. I couldn't recall it directly  
10 until you showed it to me, but I would agree that's what it says.

THE COMMISSIONER: Well, both as a member and as the chair of the Australia Pacific Friendship Group, you would have made sure that you were aware of what provisions of the code of conduct would apply to your activities, would you not?---I should.

Even if you don't recall it now.---Yes, I should have, yes.

MR ROBERTSON: But whether you were aware of the particular  
20 document, at the time that you were chair and engaging in activities under the banner of the Asia Pacific Friendship Group, you knew that it was contrary to the correct approach to parliamentary friendship groups – as a matter of policy at least – for those friendship groups to be involved in matters of a commercial nature, correct?---I should have, yes.

Well, not just you should have. You knew, didn't you?---Yes, I, I knew, yes.

In part, the name of it is a giveaway. Parliamentary friendship group, not  
30 parliamentary commerce group or something along those lines.---Mmm.

Do you agree?---Yes.

And you were aware of that at the time that you were engaged in activities for the parliamentary friendship group, is that right?---Yes.

At the time that you were chair of the parliamentary friendship group, do you agree that you knew that your appointment as chair didn't amount to some sort of general authorisation to represent the executive government in  
40 the Asia Pacific region or, for that matter, anywhere else?---Yes.

It would have been wrong, for example, for you to go to some Asia Pacific country and, in effect, represent yourself as someone who is in a position to represent the executive government, is that right?---Yes.

It's quite fine to describe yourself as a member of parliament because that's, of course, accurate. But you knew at the time, the time that you were chair of the Asia Pacific Friendship Group, that it would be wrong and you were

not authorised to, in effect, say to people, “I’m a representative of the executive government,” as opposed to “I’m a person who happens to be a member of parliament,” would you agree?---Yes.

Do you agree that whilst you were a member of parliament there were resources available to you in the event that you had some concern as to whether a particular course of conduct would be regarded as inconsistent with or consistent with the codes of conduct and policies that I have referred you to so far?---The ethics manager, yes.

10

So, for example, one of the sources of potential information is a person referred to as the parliamentary ethics adviser, correct?---Yes.

You also had available to you, if need be, the Clerk of the Legislative Assembly and his and then her staff, is that right?---Yes.

20

And so do you accept that there were ample resources available to you to ensure that you understood your obligation under those codes of conduct and under the relevant policies in the event that you had any concerns as to whether a particular form of conduct was permissible or not?---Yes.

But I think you were saying before you don’t recall any specific training in relation to the code of conduct, is that right?---That’s right.

Was there some procedure where, after each election, for example, there’d be some sort of refresher training or something like that, do you remember? ---I recall documents but not training. I can’t remember training.

30

So probably some exchange of information at least.---I think so, yes.

When you first became a member of parliament, there was something in the nature of an induction, where there was explanation of these kind of things. ---Yes. When you first became a member, yes, there was an induction.

But you were a member of parliament for 19 years.---Mmm.

40

It wasn’t the case, for example, that after each election there was some additional induction process that you participated in.---I can’t recall that there was.

But if you did want a refresher, as it were, or you did want some further information, you were aware that you could seek that kind of information from the parliamentary staff, in particular from the clerk and those who work under the clerk, is that right?---Yes. Yes.

Now, do you agree that while you were a member of parliament, you used your office in Parliament House in the course of seeking to pursue your own business interests?---Yes.

That included meetings in your Parliament House office in relation to personal business interests?---Yes.

It included meetings in other meeting rooms outside your Parliament House office in relation to personal business interests, correct?---Yes.

It included use of parliamentary email from time to time?---Occasionally, yes.

10

It also included using parliamentary facilities such as photocopiers, scanners, things of that kind?---Yes.

Do you agree that on more than one occasion you received deliveries in your Parliament House office of thousands of dollars in cash associated with a scheme involving the obtaining of Australian visas for Chinese nationals? ---Yes.

20

And you received that cash from Ms Maggie Wang I think?---Yes.

Do you recall approximately how many times you received a delivery of that kind?---No, I don't.

It was at least on more than one occasion. Correct?---Yes.

It perhaps was maybe, what, three or four, maybe five occasions, something like that?---I don't recall how many.

30

But it was certainly more than one. Is that right?---Yes.

And less than say 20?---I don't know. I, I don't recall.

THE COMMISSIONER: Could it have been 20?---I don't know, Commissioner.

MR ROBERTSON: In terms of receiving cash from Ms Maggie Wang, did that always occur in Parliament House or from time to time did it occur in some other place?---Various places, from my recollection.

40

But it's at least the case that on multiple occasions you received thousands of dollars in cash from Ms Wang in your Parliament House office. Is that right?---Yes.

Do you agree that while you were an MP you asked for staff who were employed by the Department of Parliamentary Services to assist you in pursuing your personal business interests?---Yes.

That included asking for the assistance of Ms Nicole Hatton. Correct?  
---Yes.

Asking for the assistance of Ms Rebecca Cartwright. Correct?---Yes.

And asking for the assistance of your electoral staff in Wagga from time to time?---Yes.

10 Those individuals would do things like arranging meetings to pursue your personal business interests. Correct?---Yes.

Prepare business cards in connection with those interests. Correct?---I can't recall business cards, but they would certainly do work for me.

I'll just give you an example to help refresh your memory. If we go to, please, volume 5, page 99. This is an email from Ms Hatton to an email address called thebutteredcat. Do you see that there?---Yes, I see it.

20 Whose email address is thebutteredcat?---Mr Elliott's.

And if you have a look a little bit further down the page you see, "Hello, Nicole. If by 'ready for China' you mean do I have a bag packed, then again yes," et cetera. And by way of response Nicole says, "I'll speak to Daryl and check how he wants the mobile number to be shown. Will put both email addresses on card. Have a great time." Do you see that there?  
---Yes.

30 And does that refresh your memory that one of the things that Ms Hatton did with your approval was prepare business cards for the firm known as G8way International?---Yes.

And if we just go a couple of pages on, you then see a scan. Do you see there a business card, front and back, for Mr Phillip Elliott?---Yes, I see it.

And to the extent that Ms Hatton or Ms Cartwright or anyone else within the parliamentary staff performed any functions in relation to that firm, G8way International, I take it that was done with your approval. Is that right?  
---Yes.

40 Well, you made it clear to those individuals that if Mr Elliott asked them to do something, for example, assist in preparing business cards, they had your authority to proceed in that fashion. Do you agree?---Yes.

You're not suggesting that they've gone off on a frolic of their own, as they were. They were, at least Ms Hatton for example, was one of your parliamentary staff. Is that right?---She worked part-time, yes.

She worked as an ATS, an additional temporary staff member. Is that right?  
---Yes, a couple of hours a day.

But you gave her authority to use your Parliament House office and the resources available within Parliament House to assist Mr Elliott in the G8way International business. Do you agree?---Yes.

10 One of the other things that staff within the Department of Parliamentary Services did to assist your personal business interests was booking travel for example. Is that right?---Yes.

Organising visas?---Yes.

You made it clear to, for example, Mr Elliott that if he wanted to send material between Wagga Wagga and Sydney he could provide it to your electorate office and it would go in the parliamentary bag and get to the Parliament House office. Do you agree?---I agree, yes.

20 And on at least one occasion you agree to or at least acquiesced in the use of the Parliamentary Library for research for the benefit of the G8way International firm that I've identified. Do you agree?---I don't recall what that was.

Well, let me assist this way. Exhibit 131, volume 11, page 54.

THE COMMISSIONER: Were you going to tender that last email or is it already in?

30 MR ROBERTSON: The last email is already in evidence and it is Exhibit - -

THE COMMISSIONER: It probably went in for Ms Hatton.

40 MR ROBERTSON: Exhibit 117. So we start with, there's an email from a Peter Brady and it says, "I don't have most of the information below," et cetera, et cetera. If we go a little bit further down, we see a request, "Are you able to help with the questions below and matters of that kind?" And pardon me for a moment. And if we then just scan up a little bit further, just to the top of the page, you say to Mr Elliott, "I've got the library working on some numbers for you." Do you see that there?---Yes.

And so does that refresh your memory that in or about June of 2014, there was a question that was raised by Mr Elliott in connection with the G8way International business, and you got the library – which is to say the Parliamentary Library – working on some numbers?---Yes, to research, yes.

To research that matter. But that was for the benefit of the G8way International business as opposed to for some other benefit in the public interest, do you agree?---My recollection was for Peter Brady. But, yes.

Well, it was not done in the exercise of your ordinary functions as a member of parliament, do you at least agree with that?---2014?

2014, yes.---That was when I was Parliamentary Secretary for Regional and Rural Affairs.

10

Yes, but you see from this that Mr Elliott is getting involved. Do you see that towards the bottom? And he's doing that from a G8way International email address.---Yes.

And do you see the subject heading towards the bottom of the screen. It was regarding a thing called "the milk matter".---Yes.

20

And milk, or milk powder, was one of the potential business ideas that G8way International had, is that right?---Or was asked about by Mr Brady or, or some other person. It was an inquiry, if I recall correctly.

THE COMMISSIONER: To G8way through Mr Elliott?---To, to – I can't remember who the inquiry was actually given to, Commissioner, but there was an inquiry about establishing a number of milk powder factories, and I can't recall how it came about and I don't recall if it was directly to Mr Elliott or not.

30

MR ROBERTSON: Well, let me try and assist you by showing you a little bit more of these emails.

THE COMMISSIONER: Well, before we leave this one, Mr Robertson, why would Mr Elliott be involved at all if it was, as I think you're inclined to say it, an electorate matter?---It was, it was, if my recollection is right, it was a proposal to build a number of them, and one of them I think was for our area, it was to be situated at our area.

I don't think that answers my question, Mr Maguire.---No, it doesn't, Commissioner. Yes.

40

So why would Mr Elliott be involved in any such matter, particularly wearing, as Mr Robertson has identified, what appears to be his G8way International hat, using his G8way International email address?---I can only suggest that it was to do the work because someone has to do the work.

Do the work for some sort of fee, presumably.---Yes.

Which would be for the benefit of G8way.---Yes.

MR ROBERTSON: And can I assist you by drawing your attention towards the bottom of the page to give you a little bit more of the context. So you see Mr Brady says, "Dear Phil, I just had a meeting with my group and need some more info to our investors, who will give us a letter of intent some time next week," et cetera. Do you see that there?---Yes. I see that.

And so Mr Brady is asking Mr Elliott, of G8way International, for information that might be relevant to that question of investment in relation to milk or milk powder, is that right?---Yes.

10

And so does that refresh your memory that this was an inquiry that was associated with a G8way International matter rather than some just general, for example, constituent inquiry or inquiry relevant to your role as parliamentary secretary?---I just can't recall how that inquiry came about.

Would you at least recall that one of the activities that G8way International was interested in was potential investments in relation to milk or milk powder?---Yes.

20 And that was with a view of G8way International making a fee. Is that right?---Facilitating an outcome, yeah.

Facilitating an outcome, but if successfully facilitating an outcome, getting a fee. Correct?---Yes.

Would you agree that effectively you turned your office in Parliament House on Macquarie Street into an office for G8way International?---Partly. Partly.

30 I'm not suggesting that it was a full-time G8way International office. Obviously you've got other public and other functions to perform as well, but at least in part your Parliament House office became a part-time office for the G8way International firm. Do you agree?---Occasionally, yes.

And I take it that you understood at the time that you weren't permitted to use your Parliament House office, or for that matter your parliamentary staff and resources, in the way that you did for the benefit of, for example, G8way International. Is that right?---Yes.

40 You were required to use those resources wholly and solely in the exercise of your public functions. Is that right?---Yes.

Can I just put this to you for your comment. Would you agree that during the period from 2012 to 2018 what you sought to do was to monetise your office as a member of parliament, parliamentary secretary and chair of the New South Wales Parliament Asia Pacific Friendship Group, and let me just explain what I mean by monetising. What I'm suggesting is you sought to use your status as having each of those offices, member of parliament,

parliamentary secretary and chair of the New South Wales Parliament Asia Pacific Friendship Group, and the opportunities and resources to which you had access through those offices, with a view to making money for you and making money for your associates. Do you agree?---Would you state that question again, please.

I will.---Or the statement.

10 The ultimate proposition I'm putting to you for your comment is whether you agree that during the period from 2012 to 2018 you sought to monetise your offices as a member of parliament, parliamentary secretary and chair of the New South Wales Parliament Asia Pacific Friendship Group. And by monetise I mean seeking to use the status of those public offices – the fact you're a member of parliament, the fact you're a parliamentary secretary, the fact that you're the chair of the New South Wales Parliament Asia Pacific Friendship Group – and the opportunities and resources to which you had access by reason of having those offices – parliamentary office, parliamentary staff, access to consular officials through the New South Wales Parliament Asia Pacific Friendship Group, that kind of thing – with a  
20 view to making money for yourself and making money for your associates.  
---Yes.

I've asked you a few questions about G8way International. Would you agree that from the inception of the company G8way International Pty Ltd – which is “G” and the number “8”, then “way International Pty Ltd” – you acted as if you were a director of that company?---(No Audible Reply)

30 So you weren't formally appointed as a director but you've basically performed the kind of role that you would perform if you were a formally appointed director. Do you agree?---Yes.

Mr Elliott, at least when the company was first incorporated, was the only appointed director of that company. Is that right?---Yes.

And Mr Elliott I think was the only identified shareholder of the company at that point in time perhaps in addition to his wife or his then wife.---Yes.

40 But do you agree that despite that formal structure you treated G8way International Pty Ltd as a vehicle through which you sought to make profits personally?---I favoured it.

THE COMMISSIONER: You which?---Favoured it.

MR ROBERTSON: Well, isn't it more than favoured it. You saw that as a vehicle that could make money with a view to you ultimately sharing in some of that money. Do you agree?---Yes.

THE COMMISSIONER: It was established for the purpose of making money for you, was it not, Mr Maguire?---Not entirely, Commissioner, no.

Well, at least in part to establish a nest egg for your retirement. Was that not at least one of the purposes for establishing it?---To establish an effective network. That was the, the main aim of G8way.

But to conceal your involvement in it by not on its face as it was incorporated adopting any position as either a director or a shareholder?

10 ---Yes.

MR ROBERTSON: And you had an understanding with Mr Elliott that you wouldn't be formally appointed as a director whilst you were a member of parliament, but that he and you would effectively treat you as a director or controller of the company. Is that right?---No, I don't believe that I had an agreement or understanding.

20 It might not have been in writing, but at least as you understood the position, Mr Elliott was content to treat you as if you were the person running the company, even though you weren't formally appointed as the director.---Yes, I'd agree with that.

And you had an understanding with Mr Elliott that when you retired from parliament you would be formally appointed as a director and you would thereby play that formal role - - -?---No.

- - - within G8way International.---No.

30 No?---No, I don't believe so.

Can we go, please, to Exhibit 118, volume 7, page 25. I'll just ask you to comment on something that Mr Elliott said to you in an email regarding this question. Now, this email raises a number of matters, but if you can have a look at the paragraph towards the middle of the page, see it says, "By setting up a company it cocoons income from my own business." See that one? ---Ah hmm.

40 Then towards the end, about the middle of the second-last line, he says, "If and when you give your other job away, we just appoint you as a director and away we go." See that there?---Yes, I see that, mmm.

So does that refresh your memory that you had an understanding with Mr Elliott that if you gave your other job away, in other words, retired from parliament, there was an understanding between you and Mr Elliott that you would be appointed as a director and away you go within the company? ---After you've refreshed my memory, yes.

And as well as an agreement or an understanding that you would be appointed as a director, there was an understanding between you and Mr Elliott that at least you and he would share any profits that are earned by G8way International. Do you agree?---No, I don't believe I had that understanding with him.

Well, wasn't G8way International a vehicle through which you sought to make personal profits?---Yes.

10 What the idea was, was G8way International would engage in a series of business activities, make a whole lot of money, and you would share that money with, amongst other people, Mr Elliott. Is that right?---Yes.

You deliberately didn't want to be appointed formally as a director of G8way International Pty Ltd because you wanted to conceal any formal record of being in such a position. Is that right?---Yes.

20 And at least part of what was exercising your mind in that regard is that you knew that if you were formally appointed as a director, it would be necessary for you to disclose that position on your return under the Constitution (Disclosure by Members) regulation. Is that right?---Yes.

And you were concerned that if you did that, questions might be asked as to whether it was appropriate for you to be a director of such a company. Is that right?---Yes.

30 Is that the only reason though why you didn't want to be formally associated with G8way International or were there other things affecting that decision as well?---I can't recall other things that were affecting it.

Well, let me ask it this way. You said before that, as you understood it, there was not a general prohibition on you having secondary employment while you were member of parliament and parliamentary secretary. Correct?---Yes.

40 Given that understanding, why didn't you simply become a formal director of G8way International, put it on the public record, as it were, and then proceed formally, consistent with what the position was in the real world, which was you were acting as a director of G8way International?---I can't recall why I did that.

Were you concerned that G8way International might get itself involved in activities that might lead to public criticism of you in the event that you were disclosed as being a director or other associate of G8way International?---No, I don't recall that was the issue.

THE COMMISSIONER: Well, what questions did you think might be asked if it was known that you were a director of a company like G8way?  
---Well, Commissioner, I don't recall that I ever thought about that.

10 But you responded to the question Mr Robertson asked you a moment ago that you did not make the disclosure which you were otherwise obliged to make about your interests in G8way because of a concern that questions might be asked. What was the nature of the business that G8way was proposing to undertake which you thought might call your involvement in it into question?---Well, when it started, there were no firm proposals except for creating a network of individuals that could collegiately act together. That was the entire purpose of, of G8way.

Act together to do what?---To share information, to help exporters export, to help importers import, to facilitate – particularly for our Riverina region – access to markets across the world and vice versa. That was the original intent.

20 And why would you have been concerned that involvement in a company with that purpose might arouse questions if it was disclosed in accordance with the parliamentary obligations?---I don't know, Commissioner. I don't know.

You must have some recollection, Mr Maguire. You embarked on a process of concealment, which you must have also realised could, if discovered, raise even more questions.---Mmm. I can't answer that. I, I don't know why. I don't know.

30 MR ROBERTSON: Do you agree that one of the things that G8way International sought to sell as part of that networking aspect that you referred to before was access to the highest levels of government?---Not initially.

But ultimately?---I think ultimately, yes.

Well, do you agree that one of the things that G8way International at least promoted was the suggestion that G8way International had access to the highest levels of government?---At some point, yes.

40 I take it Mr Elliott himself doesn't have any particular access to levels of government, higher or otherwise, to your knowledge?---I don't know. I don't know but I, I'd say no.

And does it follow from that that when we see a reference in G8way International material to the highest levels of government, that's an oblique reference to you?---If you're suggesting that, it could be.

Well, in fairness to you, let me show you an example of that phrase in the promotional material. We'll go to Exhibit 121. That's volume 12, page 170. I'm going to show you a page of a G8way International website. If you have a look at about the middle of the page, "G8way International's influence and experience reaches to high levels of government." Do you see that there?---Yes, I see that, mmm.

10 Now, to the extent that G8way International had any influence or experience to high levels of government, at least in Australia, that's a reference to you, correct?---I would think so, yes.

Well, who else could it be? At least in terms of Australia.---It had to be. It had to be.

And so do you agree that one of the things that G8way International was seeking to sell as part of its international business network was influence and experience that would reach to high levels of government, at least in Australia?---Yes. Yes.

20 Is that part of the reason, or at least a factor, as to why you didn't want to be formally associated with G8way International, such as being appointed as a formal director, because it might call into question the appropriateness of a member of parliament in effect seeking to sell access and influence to high levels of government?---I don't recall that was one of the reasons. I don't recall that.

30 Do you at least agree that what we saw on the web page was an example of what I put to you before about monetising your office? You have at least some access and influence in your public office at that point in time – member of parliament, parliamentary secretary, Asia Pacific Friendship Group – and you were seeking to monetise that, in part, by promoting that as something that a G8way International client or member might be able to get access to.---Yes.

And you agree, I take it, that it was quite wrong for you to seek to promote such access and influence in the way that we've just seen on the screen? ---Yes.

40 Did you ever disclose, on either your formal disclosure under the Constitution (Disclosure by Members) regulation, or any separate disclosure to any Premier, your interest and position in G8way International?---No, I don't believe so.

Why not?---I should have.

Well, why didn't you?---I can't recall what reason. I just didn't.

Were you concerned that if you did disclose it and someone looked at those disclosures it might call into question the kinds of things that you were involved in ostensibly on behalf of G8way International?---Possibly, yes.

You at least knew, didn't you, at the time that you were obliged to make a formal disclosure of your interests and position in G8way International?  
---Yes.

And you declined to make that formal disclosure. Correct?---Yes.

10

Did you ever disclose any income received either from or in connection with G8way International in any of those formal disclosures?---Not that I recall.

Why didn't you?---I don't recall that I actually had income from G8way International.

20

Well, what about in relation to the money that Ms Wang provided you in cash, for example, in relation to the matter of immigration. That was associated with G8way International, wasn't it?---No. Yes. It is, yes.

And do you agree that at least some of that money you kept yourself?  
---Yes.

Some of that money you gave to Mr Elliott to be dealt with as G8way International money. Correct?---Yes.

Some of that money you kept yourself. Correct?---Yes, correct.

30

And you didn't tell Mr Elliott that you were going to keep that money. Correct?---Yes.

You shared some of that money with Ms Wang as well. Is that right?  
---Hmm, yes.

So out of that bundle of cash, as it were, some was shared with Ms Wang, some found its way into G8way International, and some of it was Daryl Maguire and no one else. Correct?---Yes.

40

But none of that kind of cash was disclosed in any of your formal disclosures. Is that right?---No.

You were explaining to the Commissioner a little while ago about G8way International having a networking flavour to it.---Yes.

I just want to make sure I understand that. One of the phrases that was on the website was the phrase, "Bringing people together." So I take it that at least one of the purposes of G8way International was to try and link up

Australians, particularly Australian producers, with Chinese potential purchasers. Is that right?---And vice versa, yes, correct.

And so in part what you were seeking to do is get the benefit of your experiences in relation to in particular China, a place that you'd been to on many occasions before, correct?---Yeah.

10 And with a view to linking up Chinese people, potential purchasers, potential vendors of product, with people in Australia who might wish to sell into China or might wish to buy from China. Is that right?---In particular the Riverina, yes, correct.

And is it right that G8way International was never going to be a seller or a purchaser itself, rather G8way International was to be the middleperson, as it were, to create a network between China and Australia and make a commission or other fee along the way?---An intermediary, yes, correct.

An intermediary, and get a clip along the way, as it were.---Yes.

20 That was the business structure, that's how G8way International makes money.---Yes.

Join up people, Chinese/Australian, and get a commission or other payment along the way. Is that right?---Yes, correct.

Another aspect of G8way International I think was the idea of a G8way International club. Is that right?---Yes.

30 And the idea there was similar I think, it wasn't necessarily selling products but it was at least putting Australians in contact with Chinese in the hope that they might then be able to do some sort of business together. Is that right?---Yes, correct.

And that would be in exchange for in effect a membership fee rather than a commission or other payment along the way.---Mmm, that's correct, mmm.

You spent quite a bit of time and effort in attempting to get quite a number of G8way International projects off the ground. Is that right?---Yes.

40 They were in a whole range of different industries, a whole range of different industries where you sought to create the kind of networks you were referring to before?---Yes.

Now, just as some examples, steel was one of them?---Yes.

Wine was one of them?---Yes.

Cotton was one of them?---Cotton?

Yeah, cotton I think.---Yes. But I don't recall cotton, but - - -

We might come back to cotton, but milk, milk powder we saw an example?  
---Yes.

And I think there was a suggestion about an aeroplane pilot school at one point. Is that right?---Yes, there was.

10 A showroom in Shenzhen?---Yes.

A coal mine?---Yes, perhaps. Yes.

A gold mine?---There were lots of inquiries.

Perhaps ironically the gold mine I don't think came off.---A lot of them didn't come off.

20 A tin mine was another one I think.---Yes.

Just to get a sort of a sense as to the breadth, if we go to volume 8, page 144, please. There was even an automatic carwash at some point.---Yes.

Am I remembering right?---Yes. There were lots of inquiries.

I think you were speaking to someone in Fiji about the automatic carwash. Is that right?---I don't recall.

30 Somewhere in the South Pacific. In any event, this is an email from you. You there using an iPrimus email address. Do you see that there?---Yes.

That's one of your personal email addresses. Is that right?---Yes.

But is it right that sometimes in relation to G8way International activities you would use a private email address like the iPrimus one. Correct?---Yes.

Sometimes you'd use an email address that was called g8waydaryl. Is that right?---On a limited occasion, yes.

40 And from time to time you would use your Parliament House email address as well. Is that right?---Yes.

If you just have a look at, there's a paragraph that says, "In the meantime we proceed", and you then identify what I think are a series of areas that G8way International was looking into at least at that point in time.---Yes.

Immigration stuff, meat, wine, coal mines, Solomon Islands re land and tin and gold mines.---Yes.

Do you see all that?---Yes.

And so those are examples of the kinds of business areas that G8way International with your assistance was looking into. Is that right?---Yes.

Quite a number of these areas didn't lead to anything. Is that right?  
---Correct.

10 But there were some areas that did lead to some profits for G8way International and people associated with G8way International. Is that right?---Limited areas, yes.

Wine sales for example.---Yes.

There were a few examples in which money was made in relation to wine sales. Is that right?---Correct.

20 One of those was a sale of wines from Borambola Wines. I may have pronounced that wrong.---Borambola.

Borambola Wines to someone associated with the Australian Council for the Promotion of the Peaceful Reunification of China.---Yes, I remember that.

And I think there might have been a label that was done that was a joint label of that organisation.---Yes.

Sometimes referred to as the ACPPRC.---Correct.

30 And the parliament. Is that right?---Yes.

THE COMMISSIONER: Can we just bring that email back up, please, Mr Grainger, before we leave it. Mr - - -?---And the parliament.

Sorry?---I'm sorry. You mentioned "and the parliament".

40 MR ROBERTSON: I think there was some sort of a joint label if I remember correctly. A joint label between ACPPRC was it - - -?---Yes. It was an anniversary special bottling if I recall rightly.

But I'm recalling correctly, aren't I, that there was a joint labelling of that organisation and either the parliament generally or at least an entity associated with it such as the parliamentary friendship group?---I'd have to look at the labelling.

I'll come back to that. The Commissioner was going to ask you about this email.---Sorry, Commissioner.

THE COMMISSIONER: In the second line is Julian, Julian McLaren?  
---Yes, Commissioner.

Maggie, Maggie Wang?---Yes.

And Monika, is that Monika Hao?---The lady, the immigration lady, yes.  
Hao.

And then William, is that William Luong?---William Chiu I think.

10

I see.---Hold on.

MR ROBERTSON: And William Chiu was a gentleman associated with  
the ACPPRC that I referred to a moment ago. Is that right?---Yes.

THE COMMISSIONER: And then down in the second paragraph, second-  
last line, Joseph. Is that Mr Alha?---Yes.

20

And Humphrey, is that the gentleman in relation to the proposed trade  
centre in Wagga?---Yes. Yeah, Mr Xu, yeah.

MR ROBERTSON: It's spell X-U. Is that right?---Correct.

THE COMMISSIONER: Thank you. Has that been tendered,  
Mr Robertson?

MR ROBERTSON: It has not yet. I tender pages 144 to 145 of volume 8  
of the inquiry brief.

30

THE COMMISSIONER: Another reason not to eliminate it from the  
screen. Exhibit 346.

**#EXH-346 – EMAIL MAGUIRE TO ELLIOTT DATED 27 FEB 2013**

40

MR ROBERTSON: Now, I take it that at least the idea was that when  
G8way International does the kind of networking you're referring to, hooks  
up an Australian supplier or purchaser with a Chinese purchaser or supplier,  
the idea is that G8way International would make a commission in relation to  
any sales that come off. Is that right?---Yes.

And was there some commission structure that G8way International  
developed or that perhaps you might have developed as to at least a rack  
rate as to what commissions might be charged or sought to be charged?---I  
can't recall if there was.

Let me try and help you this way. Can we go to volume 5, page 146, please. Now, the document on the screen is one that has come from one of your Parliament House computers provided to the Commission by the Department of Parliamentary Services. Does this identify at least what you had in mind would be the commissions charged by G8way International in relation to successful deals involving sales or purchases of product?---I can't actually recall it but - - -

10 So this document, it says, "Up to 5 million, 5 per cent commission. 5 million to 10 million, 2.5 per cent commission. 10 million to 100 million, 1.7 per cent commission. And 100 million to 1 billion, 1.2 per cent commission." Does that ring a bell as a general fee structure you had in mind?---I can't actually recall it.

It might have been, but you just don't recall one way or the other, is that fair?---Yes. Yes.

It says there, "All contracts over \$1 billion are negotiable." See that there? ---Yes, I see that.

20

Did G8way International do any contracts over \$1 billion.---No, I don't believe so.

Is it right that, to the extent that there were successful deals, they were mainly in the up to \$5 million column, and indeed somewhat less than \$5 million.---I don't think there were many successful deals at all.

In terms of successful deals – we talked about wine, for example – there was at least a few examples of successful deals in that area, is that right?---Yes.

30

There was also an example of Mr Elliott assisting Wagga RSL in purchasing things like crockery, cutlery, things of that kind.---Yes.

That was done with the assistance of Gordon Tse, T-s-e, of Golden Sample, is that right?---Yes, correct.

But Gordon Tse provide part of his commission back through to G8way International, is that right?---I believe so.

40 Did you ultimately end up with any of that commission, do you remember? ---Not that I know of.

But it's at least your understanding that, in relation to the purchase of goods by Wagga RSL – cutlery, crockery, that kind of, that kind of thing – that was something that was facilitated through G8way International, is that right?---Yes.

Also with the assistance of Gordon Tse of Golden Sample, is that right?  
---Yes.

And that some money ultimately flowed back, in some shape or form, back to G8way International, is that right?---Yes.

THE COMMISSIONER: Was that commission document, has that already been tendered, Mr Robertson?

10 MR ROBERTSON: I think it's been marked for identification. I don't think it's been tendered. So I tender the document commencing with the words, "For all successful tenders your company or associated company secures, our company, G8way International, seeks a commission payable in USD."

THE COMMISSIONER: That will be Exhibit 347.

20 **#EXH-347 – G8WAY INTERNATIONAL COMMISSION  
PERCENTAGES PAYABLE IN USD**

THE COMMISSIONER: I think, in fact, Mr Maguire, the China purchasing expedition to which Mr Robertson referred was actually extolled on the earlier document that he showed you, or given as an example, at least, of a successful trip on the earlier document he showed you, which also spoke of G8way being able to provide access to higher levels of government. Do you recall that?---I don't recall it, but thank you.

30 Well, it was seen as something of a success and an illustration of G8way's activities to be communicated to the world.---Yeah. Mmm.

Do you recall how that document was in fact published? Was it on an internet site?---Um - - -

G8way had an internet site, did it not? A website, rather.---My recollection, Commissioner, is that there was a page. It was - - -

40 A web page?---Yeah, a web page. It was not well developed. I think it was in its infancy but I don't know what happened to it.

MR ROBERTSON: I can assist, Commissioner, by indicating Exhibit 121, which I took the witness to, was a printout of a G8way International website.

THE COMMISSIONER: Thank you.

MR ROBERTSON: But in relation to Mr Tse as an example, Mr Tse was an example of a Chinese contact, as it were, who was an associate of G8way International in the sense that he was someone who G8way International might be able to network with.---Correct.

He's someone at the Chinese end. You're an example and Mr Elliott is an example of someone at the New South Wales end.---That's correct.

10 And so that's the idea of this networking. Some contacts in China, including Mr Tse, correct?---Correct.

Some contacts in Australia, such as the contacts that you have as a member of parliament, correct?---Yes.

People like Mr Elliott also in New South Wales and Ms Wang in New South Wales. Correct?---And Mr McLaren, yes.

And Mr Angus McLaren as well.---No, Julian McLaren.

20 Sorry, Mr Julian McLaren. I'm so sorry.---Yes.

And was the idea that each of those would be involved but each of them would ultimately share in any profits that G8way International would make. Was that the idea?---Yes, it was a collegiate arrangement, yes.

30 Was there some approach, some procedure that said, all right, for each deal G8way International's going to keep a certain amount of money and then the rest of it is going to be shared between particular individuals, anything like that?---I recall there was.

And do you recall what that split-up was?---I don't recall what it was, but I'm, I'm sure it was formalised in some way.

Well, let me try and help you this way. We'll go to Exhibit 129, that's volume 8, starting at page 191, and I'll ask for page 192 to come up. Now, here's a document Mr Elliott sends to you called Banking Distribution, Same Keep for Records. Do you see that there?---Yes.

40 And then just turn to the next page. Now, see how we've got a spreadsheet there that has a series of columns towards the right-hand side?---Yes, I see it.

So we've got Date, Details, Amount Net, GST, Introduced By. They're all blank in this page, but then it says, "G8way 50 per cent." See that there?---Yes.

Then it says, "Introducer, 25 per cent." See that there?---Yes. Ah hmm.

So just pausing there with that 75 per cent, was the idea that in the event that a successful deal was done between people in Australia and people in China, G8way would get 50 per cent of the commission associated with that deal, is that the idea?---Yes.

The person who introduced the particular deal would get 25 per cent of the commission. Correct?---Yes, correct.

10 Then there's, "Julian." Is that Julian McLaren?---Yes.

So Julian McLaren would get 5 per cent.---Yes.

"Nicole," that's Nicole Hatton, is it?---Yes.

She would get 5 per cent. The next one is, "Du Wei."---Yes.

Now, just explain to us who Du Wei is.---He is a former consul official, retired, friend of 2003 perhaps, lives in Beijing.

20 So he's, as it were, or at least was, G8way International's man in Beijing, so to speak?---Correct.

If you wanted to link someone up with a purchaser or seller in or around Beijing, he would be the first individual you would go to. Is that right? ---Yes, correct.

The next one is, "Daryl," which I assume is you.---Yes.

30 And the next one is "Phil," which I assume is Phil Elliott. Is that right? ---Yes.

And so the general idea, is the general idea this, you try and network in the way that's been identified. G8way International keep half of the profits, the introducer gets 25 per cent of the profits and then the five individuals share the remainder personally. Is that right?---Yes.

40 And is that how it actually played out? Were there one or more dividends that were paid to these particular individuals, or perhaps others, arising from successful deals brokered by G8way International?---I can't be clear if that is exactly how it played out.

But was there any examples of dividends actually being paid, whether in accordance with that formula or in accordance with some other formula? ---I recall there was, there was one dividend that was paid that, that I've seen somewhere. I can't recall where I saw it.

I'll show it to you now.---Ah.

Let's go to Exhibit 120, volume 11, page 74. But you at least have a recollection of receiving at least one dividend from G8way International by reason of a successful sale. Is that right?---No, I don't recall that I ever received the dividend. I don't recall that.

So are you saying the only money you actually recall receiving that had something to do with G8way International was the cash money you received from Ms Wang?---Yes.

10 Let me just show you this document.---To the best of my recollection.

So let me show you this document in case it helps. Volume 11, page 74, Exhibit 120. So Mr Elliott says to you, 10.38am, 25 June, 2014. "Did a distribution and have funds for Bec." Is that Rebecca Cartwright?---Yes.

"And Nicole." Is that Nicole Hatton?---Yes.

"And balance held for, by me for you and I, including compensation for expenses to you." Do you see that there?---Yes.

20

So does that refresh your recollection that Mr Elliott held some money for you and then presumably ultimately paid it to you in or around 2014? ---I still can't recall that.

And you then respond, have a look a bit further up the page, "Great. I paid Rebecca \$500."---Ah hmm.

So do we take it that you paid Rebecca Cartwright \$500 for her work associated with G8way International?---Well, yes.

30

And similarly, Nic for Nicole Hatton, correct?---Yes.

And that money included money for work that they were doing in the time that they were physically situated in your Parliament House office in Macquarie Street, is that right?---Yes.

And then you say, "Before you distribute, can I see the amounts? We need to add Maggie." Is that Maggie Wang?---Yes.

40 "Into these and Rebecca." Is that Rebecca Cartwright?---Yes. Yes.

"Rebecca Cartwright was a one-off." Why was Rebecca Cartwright a one-off?---I can't recall why she was a one-off.

Is it because Nicole Hatton was more involved on a day-to-day-type basis with the G8way International activities, whereas Rebecca Cartwright did a little bit less in the G8way International area?---I can't recall that, why it was that amount.

In any event, if you have a look at the last sentence, you're saying I think the partnership is you, by which you presumably mean Mr Elliott; me, by which you mean Mr Maguire; Nic is Nicole Hatton, I take it?---Yes.

Julian, Julian McLaren, correct?---Yes.

Maggie, Maggie Wang, correct?---Yes.

10 And Du Wei the man in Beijing, correct?---Yes.

So is it accurate, then, at least as you understood it in June of 2014, G8way International was in the nature of a partnership in the sense of multiple people working together with a view to achieving a common goal of making some money?---Yes.

But again you didn't declare your interest in this organisation, correct?  
---No.

20 And never declared any income received in relation to the organisation, is that right?---No.

To your knowledge, did G8way International ever charge a fee to any person in exchange for an introduction to a New South Wales minister or other government official?---Not with my authority, they didn't.

You said that quite forthrightly.---Yes.

30 Are you saying that if you were asked for authority to deal with that matter, you would have refused it?---Absolutely.

Well, why? There's a number of things that you have so far admitted to doing that you've agreed was wrongful. Why would you draw the line at something like a fee of the kind that I've just identified?---Well, that, that would be going too far. That would be going too far to do that.

40 So not too far to monetise your office in the way that I've identified, but too far to, what, monetise it in relation to an introduction to a government official?---A minister or someone like that, or the Premier.

Do you seriously draw that distinction?---Yes.

Do you agree that, on a number of occasions, you have introduced or set up meetings with individuals with government officials so as to assist those individuals?---Yes.

Ms Waterhouse, for example, you set up the meetings for her in relation to issues that she had in relation to Badgerys Creek, correct?---Yes.

At least part of the reason that you did that is that you were hoping that there might be a profit for you in the event that her problems were fixed, do you agree?---I had hoped.

And that's at least one of the reasons why you provided the kind of assistance that you provided to Ms Waterhouse, correct?---One of them, yes.

10 If you were prepared to do that, why do you draw the line at an introduction fee for a government official?---Well, because - - -

I'm trying to understand how one class of conduct seems to fall one side of your line at the point in time, but another class of conduct you forthrightly have said, in effect, there's no way I'd ever do that.---I think I'm reflecting on some information that you shared with me previously, and it's, it's influenced my answer to you.

20 So are you saying your response wasn't so much a moral reaction to say, well, that's too far, that's beyond the line. It's more that you've seen certain documents that I've shown you in the past and you've thought about it further, and you think that you don't have a recollection of at least agreeing to a fee being charged for an introduction?---Correct. Correct.

So your response was more based on what you understand the factual position to be rather than drawing a line and saying I was prepared to do some things but I wasn't prepare to do other things. Is that right?---Yes.

30 And so let me show you a couple of documents in this area to get your comment on it. Can we go to volume 13A, page 7. So do you agree that in about November of 2012 you arranged for a delegation from the Liaoning Province to have a meeting with then Premier Barry O'Farrell in his boardroom in Parliament House followed by a signing ceremony in Parliament House?---Yes.

And that was associated with the then proposed Wuai Trade Centre to be built in or around Wagga Wagga. Is that right?---Yes, and also the delegation from Liaoning visiting New South Wales. Correct.

40 And part of that visit was the signing ceremony in relation to the proposed trade centre. Is that right?---Yes.

You had a fairly good relationship with Premier O'Farrell. Is that right? ---Yes.

And if you just have a look at the email that's on the screen, is it consistent with your recollection that you made a personal request of Mr O'Farrell to entertain or at least to receive the Liaoning Province in his boardroom? ---Yes.

I tender the email that's on the screen. Email from Mr Maguire to Mr O'Farrell, 23 November, 2012, 8.41am.

THE COMMISSIONER: Exhibit 348.

**#EXH-348 – EMAIL MAGUIRE TO O'FARRELL DATED 23 NOVEMBER 2012**

10

MR ROBERTSON: Now, is it right that the arrangement that you reached with Mr O'Farrell was that he would meet a smaller delegation of individuals in his boardroom but there would then be a separate signing ceremony that Mr O'Farrell would not be in attendance at?---Correct.

20

And so we can see the two events just so I can confirm that we're talking about the same thing, in the same volume 13A if we can start at page 30. This is Exhibit 166. Is it consistent with your recollection that this was the particular function or reception at least that occurred in Mr O'Farrell's boardroom as Premier?---Yes, it is.

And we'll just flick one further page so that we can see more than the former Premier's forehead. We then see him in that particular room.---Yes.

The particular thing we're looking at is the event that you and I are talking about. Is that right?---Yes.

30

And can we go then to page 23 of volume 13A, which is Exhibit 137. Now, sorry, pardon me for a moment. Page 23 of volume 13A. If I misspoke, I apologise to the operator. So this is an email from you to Mr Elliott from a g8waydaryl email address. Do you see that there?---Yes, I see that.

That's an email address that you use from time to time in relation to G8way International business. Is that right?---Yes.

40

And you're sending it to Mr Elliott at his G8way International email address. If we then just turn to the attachment. Do you recognise that as the room set up for the signing ceremony that you and spoke to before?---Yes. Correct.

Why were you sending that to Mr Elliott?---I think I was, if I reflect rightly, I was that excited that we'd finally gotten to that point to be able to have a signing ceremony which is a part of the formalities of, of progressing any business or transaction particularly in China. This is a traditional thing to do.

It's a common in effect cultural practice in business in China - - -?---Very common.

- - - where one step of the process or perhaps more than one step of the process to sign a document.---Yes. Nothing progresses without an MOU and all the fanfare that goes with it.

10 And often the particular document is, as you say, something in the nature of a memorandum of understanding, which is not a formal legal document necessarily but is at least an indication of good faith by both sides that they're attempting to reach a particular goal.---Yes.

But it's certainly the case that in your experience it's not uncommon for an MOU to be signed but for an ultimate deal not to be done.---Correct.

And the Wuai Trade Centre provides an example of that.---Correct.

That was a proposal which didn't ultimately proceed?---Yes.

20 But what I'm trying to understand is why is g8waydaryl sending this to, as it were, g8wayphil? What was g8wayphil's involvement in either the signing ceremony or the reception with Mr O'Farrell or, indeed, anything else to do with Liaoning delegation?---He'd been to Wuai with me to have a look at the centre, at some point, I recall.

Was that the extent of it or did G8way International have some role in organising one or other of these particular events?---I don't recall.

30 You don't recall at all?---I don't recall.

Did Nicole Hatton or Rebecca Cartwright have any involvement in - - -?  
---Yes.

- - - those two functions?---Yes.

And were they doing that, at least as you saw it, with a, as it were, parliamentary hat on or with a G8way International hat on or something in between?---I saw it as a parliamentary duty.

40 Were either of those individuals, or perhaps Mr Elliott, involved in sending any invoice from G8way International in relation to anything that was done associated with those two functions?---I understand so, yes.

You understood so at the time or you now understand based on some other material that you've been shown?---Correct.

But you were effectively a director of G8way International, not a formal director, but at least effectively a director of G8way International. Surely

you had some idea as to whether G8way International was involved in this function and might possibly be sending an invoice.---My recollection is that this function was booked by Mr Xu and Ms Zhang. There were, there was a luncheon booked, there were costs to be paid, and the interaction between Ms Hatton, Ms Cartwright and Ms Zhang resulted in an invoice being issued to this group to pay for those costs. The discussions that occurred in between them all, I wasn't involved in them. My staff arranged and managed that.

10 So when you say "costs", you mean costs for what?---Oh, well, there was a luncheon that was hosted. There was the preparation of signage and flowers and all the traditional things that needed to be provided for the signing ceremony, and my recollection, from information that's been given to me by you, is that there was a concern that those costs wouldn't be paid and that I would be left with the account. All members of parliament are responsible for the account that is created by functions they host or individuals holding functions. We have to pay or have the account paid.

20 You referred to things like room set-up and flowers and things of that kind.  
---Yes.

Who was responsible for doing that, as you understood it?---Well, I understood that Ms Zhang arranged that with my staff, but I, I don't know what the exact arrangements were or the cost.

So you don't know who did what, as it were?---Ms Zhang was heavily involved in making arrangements that my staff were coping with. I remember that.

30 But in terms of functions like what we saw in relation to the signing ceremony, is it right that the parliamentary staff will set up the basic set-up, as it were, putting chairs and tables and things of that kind, but if you want things like flowers or banners or things of that kind, that's not dealt with by Parliamentary Services, that's dealt with by, say, a private provider or whoever's hosting the function?---Yes. Out-of-house. Private provider or out-of-house.

40 It's being dealt with out of house. And so who took responsibility for dealing with those matters? Was that your staff?---I think, no, I think it was Ms Hatton.

Ms Hatton, but performing, as you saw it, a parliamentary function, rather than a G8way International function, is that right?---Oh, it was, it was linked to the electorate. It was definitely an electorate matter, a parliamentary matter.

So as you saw it, this is one of your staff members, albeit an ATS, additional temporary staff member, doing parliamentary business, is that right?---Yes.

Can we go to page 28 of volume 13A. Here's an email from you at your Parliament House email address to Ms Hatton. It's been redacted but it's to a personal email address, not a parliamentary email address. And it says, if you look at the subject heading, "China Invoice from November 30 .. can you put on letterhead ASAP." And if you then just turn the page, you'll see there, "Function preparation and room set-up, decoration, associated activity, \$2,059.10." Do you see that there?---Yes, I see that.

If you look at the bottom left-hand corner, it says, "Make all cheques payable to G8way International." See that there?---Mmm, yes.

So why if Ms Hatton was performing a parliamentary role rather than a, for example, G8way International role, are you telling her to send an invoice on a G8way International letterhead?---I, I don't know why that occurred. All I recall is that there was a big kerfuffle about getting paid and that an invoice had to be created. And I'm not one hundred per cent sure of all of the details but I know that the staff were very concerned that the accounts wouldn't be paid. So I've seen this before but I can't recall how it came about to be on the email.

What I'm trying to understand is, if this was just a parliamentary function in your parliamentary capacity - - -?---Oh, yes.

- - - why are invoices being issued or why are you asking for an invoice to be issued on the letterhead of G8way International?---My understanding is because the invoice was to be paid by the group and it would have been totally improper for the parliament, me, hosting the event, to provide an invoice to that group. My recollection is there was a lot of discussion between staff and Ms Zhang about the payment of these invoices and it would have been inappropriate for me to provide an invoice to this group.

Inappropriate why?---Well, because in tradition in China and when you're hosting groups you're hosted, all of those costs are paid for. In New South Wales we have to pay for the tea and coffee and the biscuits. There is no ability to be able to host something like this, so it had to be paid for.

But it's been paid for by in effect the delegation. Is that right?---Through Ms Zhang.

And so what are you saying, it makes matters different if you have a couple of intermediaries along the way, G8way International and this particular individual, Mr Jin? Is that the idea?---My recollection is that it was an absolute nightmare, that Ms Zhang was heavily involved in how this invoice was paid and how the charge for the costs were levied to Mr Jin. He, if I

remember rightly, was the gentleman who managed the Wuai Centre in China, and that's all that I recall about it.

I take it, though, at least that G8way International would have built into this price an appropriate fee for amongst other things, issuing the invoice?---I can't be sure about that. I don't know.

10 Well, surely you would expect that to happen at least, given that presumably G8way International was set up as a business with a view to making some money?---Not necessarily, no, I, I, I have no recollection of, of how that fee was arrived at and I am not aware if there was a fee included.

Well, why would you want G8way International to issue a tax invoice that involved G8way International making no money?---(No Audible Reply)

20 It doesn't seem, with respect, like very good business.---No, it doesn't seem it, but the, the costs for that event were quite high if I recall rightly. I don't, I, I just repeat again, this was managed by my staff, Ms Hatton, Ms Zhang, and I just can't recall how this came about.

THE COMMISSIONER: But this is an invoice which is attached - - -?  
---Yes.

- - - to an email you've sent.---Yes, I see that, Commissioner. I acknowledge that. But I can't be sure and clear about the detail of the costings et cetera.

30 But you wouldn't have sent it unless you expected it to be presented to Mr Jin.---Yes.

MR ROBERTSON: But are you saying you can't assist at all in identifying the price or how it was calculated - - -?---No.

- - - or whether it included any profit margin?---I can't recall that, no.

Surely as someone who expected ultimately to gain from G8way International, you would want some profit margin built into the invoice?  
---You would think so.

40 Do you recall whether you gave an instruction to Ms Hatton or anyone else to build in such a profit margin?---No, I don't recall that I did.

I tender the email from Mr Maguire to Ms Hatton, 30 November, 2012, pages 28 and 29, volume 13A, public inquiry brief.

THE COMMISSIONER: That will be Exhibit 349.

**#EXH-349 – EMAIL MAGUIRE TO HATTON DATED 30  
NOVEMBER 2012**

THE COMMISSIONER: Is that a convenient time, Mr Robertson?

MR ROBERTSON: Do you mind if I just finish this subtopic?

THE COMMISSIONER: Go ahead.

10

MR ROBERTSON: Can we go, please, to page, just to finish that particular invoice issue, page 89 of volume 13A. Now, it seems that Ms Hatton complies with your instructions, puts it on letterhead, and I'll just turn the page to show you the letterhead. It ultimately goes to G8way International. Do you see that there?---I see that.

And do you recall what happened to this particular invoice after it went on letterhead?---No, I don't.

20 Did you present it to Mr Jin or anyone else?---I don't believe I ever handled that invoice.

Who was responsible for providing the invoices in relation to this event to the persons who were supposed to be paying for them?---Ms Zhang.

But how does it get from someone on your team, as it were, to Mr Zhang?

THE COMMISSIONER: Ms Zhang.---Ms Zhang, yeah.

30 Ms Zhang was responsible for delivering it to Mr Jin, was she?---She was the lady that organised the event on behalf of Liaoning. I, I, I can't speculate how that happened.

MR ROBERTSON: I tender the email from Ms Hatton to Mr Maguire, 30 November, 2012, 11.06am, pages 89 and 90, volume 13A public inquiry brief.

THE COMMISSIONER: That will be Exhibit 350.

40

**#EXH-350 – EMAIL HATTON TO MAGUIRE DATED 30  
NOVEMBER 2012**

MR ROBERTSON: Just one other document, Mr Maguire, before I suggest a morning tea adjournment. If we can go to Exhibit 125 which is volume 13A, page 14. Now, this is a different tax invoice. If you have a look at the

invoice number it says Chen, C-h-e-n, 201201. Do you see that in the top right-hand corner?---Mmm.

To the best of your recollection is this the first invoice that G8way International ever issued, noting that G8way International Pty Ltd was incorporated in 2012?---I don't know.

THE COMMISSIONER: On 1 October.

10 MR ROBERTSON: On 1 October I think, yes.---I don't recall.

You don't recall any other earlier invoices in addition to the one that we can now see on the screen?---I don't recall them.

It's addressed to Lydia Zhang, Z-h-a-n-g.---Mmm.

Who is Ms Zhang?---She's the lady that was representing Liaoning organising the function for the Wuai signing.

20 THE COMMISSIONER: She's the woman you've been referring to as - - - ?---Correct, Commissioner.

- - - responsible for the costs or at least - - -?---Yes.

MR ROBERTSON: So you see there that one of the things that's apparently charged for is the charge fee for the introductory service. Do you see that there?---I see that.

30 What did you understand it to be when it says charge fee for an introductory service?---I don't recall that I'd seen that invoice until you showed that to me.

"Introductory service, interpreter service and associated activity in the liaison with the Secretary as a precursor to business opportunities within the region." Do you see that there?---I see that.

40 Are you able to identify any reason why the Commission wouldn't conclude that the reference to introductory service was an introduction to, amongst other people, Mr O'Farrell?---Well, I can give no reason other than that invoice was provided to Ms Zhang, and my understanding is that those invoices were created because Ms Zhang had made arrangements and was attempting to recover moneys to pay for those functions and an invoice was needed. I - - -

But this doesn't say anything about the functions. I've shown you a separate one about set-up of the function, et cetera. This one talks about amongst other things an introductory service.---I know what it says, but my recollection is there was a luncheon to be paid for and that was the invoice

for the luncheon that Ms Zhang had concocted with, with, with the staff.  
That's my recollection.

THE COMMISSIONER: That's the one we've already seen - - -?---That's  
an extra invoice.

- - - for about \$2,600 or yet another invoice?---Another invoice. That's my  
recollection, Commissioner. It was a nightmare. It was a nightmare.

10 But one of the things which happened, and I think the day after this invoice  
is dated, that the MOU was signed on 30 November, 2012. You have to say  
yes or no, Mr Maguire.---Yes.

And as part of the whole MOU process, part of the fanfare as I think you've  
described it - - -?---Yes.

- - - was introducing the delegation from Liaoning to among others the  
Premier of New South Wales, Mr O'Farrell?---Correct.

20 MR ROBERTSON: Is that a convenient time?

THE COMMISSIONER: Yes. We'll take a 15 minute adjournment for  
morning tea, Mr Maguire.---Thank you.

#### SHORT ADJOURNMENT

[11.35am]

30 THE COMMISSIONER: Mr Maguire, you're bound by the affirmation you  
made this morning.---Yes.

MR ROBERTSON: Can we go to page 17 of volume 13A. I just want to  
show you another document, Mr Maguire, which may assist in the topic that  
we were discussing just before morning tea. Now, this isn't an email to you.  
It's from Nicole Hatton at her Parliament House email address to  
nicole@g8wayinternational, forwarding it to herself, as it were. But if you  
have a look, it embeds an email from Mr Elliott to Nicole, saying, "Can you  
have a peek at this and give me your thoughts or maybe run it past Daryl."  
Do you see that there?---Yes.

40

If we can then just turn the page so you can see what's being provided.  
What it looks like is a draft of the invoice that I showed you before, which  
includes a fee for introduction and interpreter services. Do you see that  
there?---Yes.

Now, was this draft invoice raised with you?---I don't recall.

But surely before an invoice for G8way International that was associated with an event that you were running, at least in part, in your capacity as a member of parliament would be drawn to your attention. Do you agree with that?---I don't recall seeing it.

THE COMMISSIONER: That wasn't the question, Mr Maguire.---Oh, sorry. Would you repeat the question?

10 MR ROBERTSON: Do you agree a draft invoice of the kind that we can see on the page must have, at least as a matter of practice, been drawn to your attention given that, first, you were, for all practical purposes, a director of G8way International and, secondly, it concerned an event that you were running, at least in part, as a member of parliament.---I would have thought so, yes.

I mean, for example, it wouldn't have been in Mr Elliott's ability or Ms Hatton or Ms Cartwright's ability to come up with an appropriate fee to be charging on to the Liaoning delegation, would you agree? In relation to introduction and interpreter services, client liaison, et cetera.---I state before,  
20 I, I just cannot recall having an involvement in the setting of a fee and this particular invoice. I cannot.

But you can't identify any reason why the Commission might think that Mr Elliott would, for example, come up with a fee or the description, do you agree?---No, I can't, except on the evidence I gave before.

Namely, that you don't recall one way or the other, is that right? You don't recall one way or the other about an invoice of this kind?---No, I, I, it's not, I don't recall it.  
30

Do you agree it's possible, you don't have a recollection of it one way or the other, but it's possible that this draft invoice was actually identified to you by Ms Hatton or perhaps by someone else?---If you want me to speculate and say it's possible, yes, but I still can't recall it.

THE COMMISSIONER: Well, often when people can't recall they can remember what happened as a matter of practice within, for example, your office in Parliament House. And what I would understand that you agreed with a moment ago, in response to Mr Robertson's question, was that  
40 particularly in relation to a matter in Parliament House, your staff would not act without your authority to raise an invoice of this nature, even though it was on a G8way International letterhead.---Well, as a matter of practice, they shouldn't, no. That's correct.

So you may not recollect it, but you would expect they would have acted consistently with that practice?---As a matter of practice, yes, Commissioner.

MR ROBERTSON: I tender the email from Ms Hatton at parliament.nsw.com.au to nicole@g8wayinternational.com.au, 29 November, 2012, 2.07pm, pages 17 and 18, volume 13A, public inquiry brief.

THE COMMISSIONER: That will be Exhibit 351.

10 **#EXH-351 – EMAIL HATTON PARLIAMENT TO HATTON  
G8WAY DATED 29 NOVEMBER 2012**

MR ROBERTSON: You made reference a little while ago to a lunch forming part of the Liaoning delegation event. Is it right that that lunch didn't ultimately occur?---The lunch occurred, from my recollection, but there were less people than originally booked for it by, if I remember correctly.

20 Do you have a recollection of the delegation being unhappy with what had been arranged at the Sydney end?---I knew there was a kerfuffle going on but I, I wasn't abreast of the finer detail.

Well, wasn't part of the kerfuffle a complaint within the Liaoning delegation that Mr O'Farrell didn't come along to the signing ceremony? Does that ring a bell?

THE COMMISSIONER: Didn't come along to the lunch.

30 MR ROBERTSON: Didn't come along to the lunch or the signing ceremony for that matter. He was at the boardroom but not the - - -?---I can't recall that. I can't recall that.

Let me just put all that in parts. So you have a recollection of Mr O'Farrell receiving at least part of the delegation in his boardroom at Parliament House, is that right?---Yes. Yes.

He did not attend the signing ceremony, is that right?---From my recollection, no.

40 And he didn't attend any lunch, is that right?---I can't recall who was at the lunch. I can't recall who actually attended the lunch.

The Commission has received some evidence suggesting that the Liaoning delegation were unhappy that Mr O'Farrell participated only in the boardroom function, if I can call it that, and therefore decided not to turn up to the lunch. Does that ring a bell?---I'm not clear about that. I'm just not clear about what actually eventuated with the fact that they didn't turn up

for lunch. That was, that was an issue for Ms Zhang and Mr Xu that they were dealing with. I don't recall that it was made clear to me.

Do you have a recollection of sitting down to lunch with these individuals or you just don't recall one way or the other?---I, I, I would have sat down for lunch. I'm sure that would have occurred. But my recollection of the lunch was that, hurriedly, people were gathered to fill spaces because the delegation went on a tour of Sydney Harbour or somewhere, I forget exactly the detail, and a number of people were collared in to attend the function.  
10 That, that's my recollection.

Do you remember who actually paid for the lunch?---Ms Zhang I think, yes.

Is it possible that the Wagga Wagga Council actually paid for it, rather than Ms Zhang?---I don't know. I don't recall.

Do you know whether any of the invoices that I've shown you so far were paid?---Well, obviously I didn't have to pay, so they must have been.

20 Well, did someone tell you that they'd been paid or someone tell you that they'd not been paid?---I don't recall.

In terms of the functions for this delegation, was it just the boardroom function, the signing ceremony and the lunch, or was there something else, for example a dinner?---I can't recall going to a dinner.

I'll show you this document, page 20 of volume 13A. See there another invoice, not yet on letterhead, but, "All cheques payable to G8way International," \$1,000. Says, "Meeting with the Secretary, Liaoning Province, People's Republic of China – Dinner." See that there?---Yes, I see that.  
30

Well, have you seen this invoice before?---You've shown it to me previously, I recall.

And do you recall whether there was a dinner associated with that event? ---I can't recall if there was or there wasn't. It's a long time ago. I, I can't recall.

40 I tender the email from Ms Hatton to Mr Elliott, 29 November, 2012, 2.43pm, pages 19 to 20 volume 13A, public inquiry brief.

THE COMMISSIONER: Is that related to that invoice?

MR ROBERTSON: That's the covering email for the invoice that was attached.

THE COMMISSIONER: Thank you. That will be Exhibit 352.

**#EXH-352 – EMAIL HATTON PARLIAMENT TO HATTON  
G8WAY DATED 29 NOVEMBER 2012 ATTACHING INVOICE  
TEMPLATE**

MR ROBERTSON: Mr Maguire, do you agree that one of the business  
activities associated with G8way International was to facilitate Chinese  
10 nationals being issued with Australian visas?---Not initially, but yes, I agree.

That was ultimately a business activity that was engaged in, albeit not  
necessarily at the very start of G8way International in 2012.---Correct.

That was a business activity that you and Ms Wang in particular were  
closely involved with. Is that right?---Yes, correct.

Your role in that particular immigration matter was to identify businesses,  
usually in or around the Wagga Wagga area, as potential nominators or  
20 sponsors of Chinese nationals who might seek visas. Is that right?---Yes.

And so amongst other people, you introduced a Mr Peter Wood to Ms  
Wang.---Yes.

A Mr Gerry McCormick to Ms Wang?---Perhaps.

When you say perhaps, why are you qualifying it in that fashion?---Because  
my recollection is that some of these people were met at functions and, you  
know, events and things and I can't be clear that I introduced directly, but in  
30 some way, shape or form, through my network they would have been  
introduced.

THE COMMISSIONER: But at functions which you held?---Yes, or events  
or something but in some way, shape or form they would have been  
introduced, yes.

MR ROBERTSON: So there may be examples where you haven't just  
picked up the phone or sent a message, something like that, it may be that  
you've linked people up at a function that you've arranged.---Perhaps, yes.  
40

And so there may be examples where you've invited someone, perhaps like  
a Mr McCormick, to a particular function and have said to either him or said  
to Ms Wang, "Why don't you have a chat because that person might be  
interested in the immigration matter."---I wouldn't have said it that directly,  
but functions are a good networking opportunity.

But you're not suggesting that you've sort of left it to others to take care of,  
in relation to each of the individuals involved in what I've called the

immigration scheme, you have introduced them to Ms Wang, either in a direct way of saying, "Here's a telephone call," or, "You, Ms Wang, should access this particular person," or by linking them up, as it were, at a function that you've arranged.---Yeah, yeah.

Is that right?---Yes, I agree.

Shaun Duffy was another example. Is that right?---Yes.

10 And some people within the Eldridge Group?---I can't recall it, but yes.

Mr Richard Allsopp?---Yes.

And Joe Alha?---Yes.

Jason O'Dea?---I don't recall Jason O'Dea.

Ray White in Griffith?---No.

20 Alan Case Pty Ltd?---No.

It was at least right that there was quite a number of businesses that you introduced Ms Wang to as potential participants in what I've called the immigration scheme.---Yes, correct.

And is it right that the arrangement was that G8way International would be entitled to a fee for facilitating each immigration placement?---Yes.

30 And how much was that fee, do you remember?---My recollection is that it varied.

And was there a usual fee?---Mmm, somewhere between 10 and 15, I thought.

Was \$20,000 per placement fee a common fee?---No.

No?---No.

40 Can I try and help you this way. Can we go to volume 8, page 180. And while that's coming up, is it right that one of the potential sponsors was the RSL club, as you understood it?---I understood, I understood that, yes.

By which I mean the Wagga RSL.---Yes.

But Mr Elliott was principally responsible for trying to deal with that matter because Mr Elliott was on the board of the RSL at that point in time.---Well, he had the contacts, yes.

He had the contact. That was an exception to the usual position. Usually it was you who would introduce the individual or the business to Ms Wang, is that right?---Mmm, yes.

But on the occasion of the Wagga RSL, or at least entities associated with the Wagga RSL, it was Mr Elliott who brokered the introduction, is that right?---Yes.

10 Page 180 of volume 8. Have a look at your email to Mr Elliott, 11 March, 2013.---Ah hmm.

You say to Mr Elliott in the third sentence, or at least after the comma in the second line, “Also, Maggie tied up our first nominated visa applicant and the applicant is very good.” Do you see that there?---Yes.

“Peter Wood,” who’s one of the individuals identified, “is taking that person on his payroll.”---Yes.

20 “I’ve got another three placements as well as your two at \$20,000 per placement for G8way.” See that there?---Yes, I see that, yes.

And so does that refresh your memory that at least a common amount of fee that G8way International would be entitled to under the immigration scheme was \$20,000 per placement?---Yes.

And just so I can understand how it worked as you understood it, that’s, as it were, a success fee, is it? In other words, if the visa applicant gets the visa, G8way International gets the \$20,000 fee?---Yes.

30 And where does the money come from for that fee, as you understood it?---I would imagine, I understood it to be the applicant or, yeah, the applicant.

So as part of being involved in the scheme, the visa applicant – usually a Chinese national – would have to advance a fee that ultimately found its way to G8way International, is that right?---That’s my understanding.

And that would be a fee that you would ultimately share in, is that right? ---Yes.

40 And on some occasions I think you said Ms Wang present the money – it might be \$20,000 – and you keep some of that yourself before it goes into G8way International coffers, is that right?---Yes, yeah.

In terms of that cash itself, at least the cash that found its way into what I might call the G8way International fold, what happened with it? Did you take that cash back with you to Wagga and then gave it to Mr Elliott, or what happened?---Yes. Yes.

And do you know whether Mr Elliott banked that cash and recorded it in the financial records of G8way International?---I would assume yes.

Well, you would assume yes or do you know it or do you not know?---I don't, I don't know that I know.

To your knowledge, did Mr Elliott deliberately keep some of the money off the books, as it were, so that there wasn't a formal record kept of particular income, and in particular, there wasn't a formal record of any amount being  
10 paid to you?---I, I don't know.

Let me help your recollection this way. Volume 11, page 85, Exhibit 142. This is an exchange of emails between you and Mr Elliott, including in relation to a topic that you and I have already discussed, payment of dividends and things of that kind. If you have a look towards the, near where the little hand is, an email 27 June, 2014, 2.03pm. Mr Elliott says, "Said spreadsheet with suggested dividends for this. Waiting for your thoughts." See that there?---Yes, I see that.

20 "Will put the payments through as booked figured to all except," and it says "you", presumably "you", "hand I." See that there?---Yes.

THE COMMISSIONER: Presumably "you and I".

MR ROBERTSON: Which I assume means "you and I", at least that's how I would read it. Does that refresh your recollection that Mr Elliott on at least one occasion wanted to keep payments off the books - - -?---Yes.

- - - so as to not identify a payment being paid out to you?---Yes.  
30

And you were happy for Mr Elliott to proceed in that fashion. Is that right? ---I gather so, yes.

Well, you wanted it off the books because you wanted to conceal any payments being made from G8way International to you. Is that right?---(No Audible Reply)

Is that right, Mr Maguire?---Yes.

40 And you wanted to conceal that because if it appeared in some formal record you might be exposed as someone who hasn't made a disclosure through the parliamentary system or to the Premier when you were parliamentary secretary that you should have disclosed. Is that right?---Yes.

You wanted to keep your involvement in G8way International off the books both in terms of not being formally appointed as a director and not being shown in the records as someone who received any money. Is that right? ---Yes.

Even though the true state of affairs of course was that you were acting as a director and you were receiving at least some money through that organisation. Is that right?---Yes.

10 Back to the immigration matter more generally. So part of the arrangement is that in effect as a success fee there's a fee that G8way International gets, sometimes \$20,000, sometimes less, sometimes more. Is that right?---Not, my recollection is not 20. My recollection is anywhere between seven and perhaps, perhaps 15 but - - -

So why were you saying to Mr Elliott in the email that I showed you \$20,000 per payment?---I don't recall.

Are you saying it's your recollection that you never actually received a payment of something like \$20,000 in relation to the immigration scheme? ---I can't recall.

20 Did you have any agreement or arrangement with Ms Wang to the effect that she was allowed to keep some money back in relation to the, what I'll call the G8way International payment?---My, my recollection is yes.

And what was that arrangement with Ms Wang?---My recollection is she could keep I think 5,000. I think 5,000.

So does that mean then that there was at least one occasion where the total fee, if I can call it that, was \$20,000 but you only ended up with 15,000 because Ms Wang had kept 5,000?---I, that's my recollection.

30 But do I have it right that at least on one occasion the total fee – so both your fee and Ms Wang's fee – was \$20,000, of which Ms Wang kept 5,000 and you kept 15,000 or perhaps shared the 15,000 through G8way International. Is that right?---Yes, that's correct.

40 And then what were the other aspects of the scheme, so what was the business required to do as you understood it?---Oh, the, my recollection is that the business was to employ the individual. The individuals were usually university and/or skilled. Provide placements for them and training and the individual would contribute to the company or the business through work.

So what was it worth for the business, as you understood it?---Hmm?

What was in it for the business, as you understood it?---Oh well, firstly their wages would be subsidised so that would be a benefit to the business.

When you say subsidised, what do you mean by that? Paid in part or paid in whole?---Well, paid in whole I think or, or part.

By who?---By Ms Wang.

From what money?---I'd imagine the fee, the fees that were paid by the student.

So the student in effect has to pay enough money in order to pay their own wages for a period of time. Is that right?---That's my understanding.

10 And did you have an understanding as to what period there would be a, what we might call a reimbursement of wages?---Up to two years I thought. Up to two years.

So for someone to be involved in the scheme, as you understood it, they needed to at least pay enough money to meet G8way International's fee and enough money to pay their own wages for up to two years?---My recollection is the placement was for two years but I think the, the, the period would be about three months. It was three months.

20 THE COMMISSIONER: The period of subsidisation?---Yes.

Or reimbursement?---Three months, yes. That's my recollection.

MR ROBERTSON: And do you recall who told you about the two-year component?---I don't recall directly.

And so in terms of what's in it for the business, they get in effect reimbursement of wages for a three-month period.---Mmm.

30 What else, if anything, was in it for them, as you understood it?---Well, the, the particular businesses that, that I identified were all wanting to expand, either by exporting their products overseas or importing products overseas, and having skilled people with technology and dual language would have been beneficial to them. And that's the benefit that I saw.

So they might be able to in effect help open doors in China in particular. Is that right?---Correct, to markets and vice versa.

40 What else if anything was in it for the business, as you understood it?---That was about it.

Was there any further fees or bonuses or credit to be paid to the business as you understood it?---Training fees I thought, like a placement fee.

So the business gets reimbursement of wages for three months or thereabouts.---Yes.

It gets a, what you've called a training fee or placement fee.---Yes.

And it's got the possibility of the benefit of contacts in China in effect because they might have a Chinese-speaking or Mandarin or Cantonese-speaking employee on their books.---And, and also an individual that may turn out to be a good contributor and great employee.

How much was the training fee, do you remember?---I can't be quite sure because I think it varied from, from organisation to organisation.

10 And is that the extent of what was in it for the business as you understood it?---Well, I believe so. To the best of my recollection that's what was in it.

Now, do you agree that Ms Wang made it clear to you that it was likely or at least possible that these visa applicants would not actually turn up to work at all?---She did, and I recall the text that you've shown me, but we had an argument about that, I want to be very clear about that.

20 Well, you knew, didn't you, that an essential aspect of the scheme, at least from Ms Wang's perspective, was that visas needed to be obtained but that the employees might not turn up to work at all. Correct?---From Ms Wang's perspective, yes, correct.

And you knew that at the time that you were introducing businesses to Ms Wang for the purpose of participating in the scheme. Is that right?---Yes.

30 And so you knew at the time that you were introducing the businesses that they might sign the paperwork and they might get these fees and things, but might not ultimately end up with an employee at all. Do you agree?---I believed -- no, I don't agree. I believed I'd sorted that issue out with Ms Wang because I remember clearly the, the, the discussion that was had and the words I used.

Well, what words did you use?---"You cannot put people at risk by breaking the rules." I recall that clearly.

But you don't seriously suggest that you understood this to be a legitimate visa arrangement or scheme, do you?---Yes, I did.

40 It involves a visa applicant paying their own wages in effect.---It was beneficial for the business. Yes, I did.

Paying, as it were, an extra bonus called a training fee.---Yeah.

That was an aspect of the scheme.---I believed so.

And paying an additional amount of money in order to pay your fee or G8way International's fee. Correct?---Correct.

So it was a cash-for-visas scheme, wasn't it?---It appears that way, yes.

But you knew it was at the time that you were introducing businesses. Do you agree?---No, no, I - - -

Ms Wang made it clear to you that it was quite likely that the individual visa applicants wouldn't turn up at all. Do you agree?---And I made it clear to her that they should turn up and that, that she wasn't to break the rules.

10 And did they in fact turn up?---I believe so.

Any of these individuals?---I believe so.

Turn up and work on a medium to long-term basis?---In hindsight now, no.

Well, what inquiries did you make? It sounds like you're saying, well, Ms Wang raised this issue and it led me to be concerned.---Yes.

20 What inquiries did you make with the businesses that you put forward to make sure that this wasn't a scam?---Well, I, I did speak to Peter Wood, it's very clear in my mind, inquiring about his new worker, because he was working on a project. And he informed me of what happened. The worker didn't turn up. I told him to ring Ms Wang immediately and I understand he did that.

30 THE COMMISSIONER: Did you make inquiries to see if the worker then arrived?---I don't think it eventuated in the end, Commissioner. I think that the whole arrangement finished. It didn't eventuate. I don't think that it did.

MR ROBERTSON: Well, did you make inquiries to arrive at that view? Or how have you come to the view that it all, as it were, eventuated?---I recall Peter had said to me at some point it didn't happen, it, it didn't go through. That's my recollection.

40 Well, what about all the other businesses that you referred to Ms Wang? ---My recollection is I met a girl called Daisy, that's clear in my mind, and I believe her mother, and I did speak to Angus McLaren about a project he was working on or an inquiry that I had, and I made inquiries as to how it was going.

And what was the response to those inquiries?---Well, my recollection is Angus was quite pleased with the arrangement, that when I met Daisy and her mother. I'm sure they were setting up a flat or something in Wagga. I can't recall clearly but I, I'm sure that I met the girl.

Now, the Daisy individual, she was the one who was nominated by Gerry McCormick, is that right?---Yes.

Now, I think Mr McCormick was, as you say, actually setting up a flat for her to potentially live in. Is that what you're referring to?---That was my understanding, yes.

But did you check with Mr McCormick whether this individual actually turned up and worked on a genuine employment basis?---I can't recall that I did.

- 10 Are you at least accepting that you were put on notice by things that Ms Wang said, that there was a real prospect here that this was a scam of the kind that I've identified, namely something in the nature of a cash-for-visas scheme? By which I mean the visa applicant wants a visa, some documents are signed, but no genuine employment relationship at the end.---Could you repeat that again?

- 20 Would you agree that in what Ms Wang told you, you were put on notice of at least the possibility that the immigration scheme that you and Ms Wang were involved in was in the nature of what I've called a cash-for-visa scheme? In other words a - - -?---Yes.

- - - visa applicant wanting a visa but not actually wanting a genuine employment relationship.---Yes. To which I objected.

Well, to which you objected, but it doesn't sound like, and tell me if you disagree, that you took steps after that point in time to satisfy yourself that it wasn't in the nature of a cash-for-visas scheme. Would you agree?---Yeah, agree, I agree.

- 30 So you at least continued to have the suspicion as to whether or not this was legitimate or not, is that right?---Yes.

But you decided to proceed anyway because you were making money out of it, do you agree?---Yes.

- 40 Now, can I just show you some documents connected with the point that we've just discussed. We'll go, please, to volume 23, page 130. And, Commissioner, I'm now going to tender a couple of bundles of text messages, some of which I've already taken other witnesses to but don't formally form part of evidence yet. I first tender a bundle of text messages from Mr Maguire's phone, volume 23, pages 9 through to 121.

THE COMMISSIONER: That'll be Exhibit 353.

**#EXH-353 – CELLEBRITE EXTRACT OF MESSAGES FROM  
MAGUIRE'S MOBILE TELEPHONE**

MR ROBERTSON: And then as a separate bundle I tender extracted messages from Ms Wang's phone, volume 23, page 122 to page 269.

THE COMMISSIONER: That'll be Exhibit 354.

**#EXH-354 – CELLEBRITE EXTRACT OF MESSAGES FROM WANG'S MOBILE TELEPHONE**

10

MR ROBERTSON: I'll go first to page 130 of volume 29. If you start with item number 63, towards the top of a page, just as an example, you say, "Maggie, I've met with Shaun Duffy of D&M Electrical. He is expecting your call after 4.30." Do you see that there?---Yes.

Then you say, "He understands what you want!" Do you see that there? ---Yes.

20 What do you mean by, "De understands what you want!"?---Was to enquire if he'd take on a worker, that's my recollection.

Well, isn't it a little bit more than that? He understands what you want in the sense that what Ms Wang wants is someone who's prepared to sign the relevant documents and receive the fees, whether or not a human actually turns up to work for Mr Duffy?---But he already had a staff member, the text clearly says that.

30 He already had a staff member in relation to a similar scheme, correct? ---Yes.

As at 16 January, 2013, when this message exchange occurred, do you agree that at that point in time you knew that there was a – at least a possibility – that the visa applicant would not actually turn up to work for Mr Duffy or anyone else that you were going to refer the immigration scheme to?---No, I think in my mind I still believed that the scheme would provide a worker, that's my recollection.

40 As at 16 January, 2013.---That's my recollection.

If you have a look at item number 65, I told him you were in the G8way organisation. Do you see that there?---Yes.

No need to tell your friend Monika too much. Do you see that there?---Yes.

Why did you say, "no need to tell Monika too much"?---I don't recall.

Is it because you didn't want Monika to know too much by way of details of the scheme that you'd agreed with Ms Wang?---No, I don't recall why I would have said that.

Well, was it the case, in particular, you didn't want Ms Hao – this is Monika, Monika Hao – to hold her hand out and say, I want some portion of the success fee?---No, I just can't recall why I would have said that.

10 At least in other business activities with which you were involved while you were a member of parliament.---Mmm.

One of the concerns that you had is potentially being cut out or circumvented, is that right?---(No Audible Reply)

20 Well, I'll withdraw it and put it this way. One of the inherent risks of the kind of relationship arrangements or networking relationships of the kind that you sought to explain this morning was the possibility that you might introduce two people and you might not get your commission because they might just work with each other and not agree to pay you a commission for the introduction, correct?---I don't know that I really had a problem with that.

Well, didn't you have a problem with that as a general proposition? Isn't that a matter that you raised with Ms Wang before, maybe not necessarily in the immigration matter but at least in relation to some other business activities?---I don't recall.

30 Isn't that why you're saying to Ms Wang, "don't tell your friend too much"? ---No, I can't recall why I said that.

Let me try and help you this way. In the same volume we'll get to page 27, item 46. You see there, if you look at item 46, so for context, 45, "Good news, Maggie. Number 2 approved for Gerry."---Yes.

Is that Gerry McCormick?---Yes.

40 And then you say to Ms Wang, "G'day, Maggie. Make sure you only discuss jobs business with Phil and me. Regards, Daryl." Do you see that there?---Yes, I see that.

Now is part of the reason that you said that, that you didn't want to create the risk that there might be other people holding their hand out for a portion of the profits associated with what you there describe as, "the jobs business"?---I can't be clear why I said that.

Do you at least agree, as a general proposition, that one of the things that you were concerned about in your business activities with Ms Wang was being circumvented, by which I mean, you might create an introduction and

the people you introduce might do a deal together but not pay you a fee for the introduction or for brokering it?---No, I can't agree with that.

Surely that's something you must have been concerned about in that area of business, that's an inherent concern when one's seeking to set themselves up as the middleperson - - -?---I can't recall.

- - - that they might be cut out of it.---I can't recall if that was a major concern at the time.

10

Well, whether it was a major concern, it was at least one concern. Do you agree?---Well, I, I agree, yeah.

And just to give that some further context, we'll jump forward again to page 160, and if you can have a look at item number 365, we'll just scan down a little bit further. "And just remember, only speak to him and me, nowhere else." This is a reference to a Nick who we can see a little bit further up. The particular individual doesn't matter, but does that assist you in recalling that one of the things that you were concerned about in your dealings with Ms Wang is not being circumvented in the way that I've sought to identify? 20 ---My recollection is that Nick was the one that I spoke to and, and I'm suggesting he should only talk – there were several owners and it was Nick that I spoke to. That's my recollection.

But you didn't want anyone else to be at risk of having to be cut into the deal, so to speak.---Not to the best of my recollection. The, the issue was that I'd spoken to Nick, there were a number of proprietors in the, in the business and it was Nick that you really needed to speak to. That's I think what I'm trying to say there.

30

Well, let me just help you with a further message. We'll go over the page, page 161, item 371, this is all still part of Exhibit 354. You then say back to Ms Wang, "Remember I said 20 to 25 for his help? That way you can make a little more. That's why I said only talk to him and me." See that there? ---Oh, okay, yeah, okay.

So do you agree that at least part of the context is keep as few people involved as you need in order to do the deal because then there's less people to have to share the profits with.---I agree.

40

Do you agree with that?---I agree.

And that wasn't necessarily an issue just in immigration, it was potentially an issue in other business activities you sought to be engaged in with Ms Wang. Do you agree?---Yes.

In fact it's inherent to the whole idea of being an introducer, you want to make sure you stay as the middleperson because otherwise you might get circumvented and not receive a fee. Would you agree?---Yes.

10 Go back then to page 130 which is where we were before we went off and dealt with that last point. I've shown you item number 65, "No need to tell your friend Monika too much." But then if you can have a look at item number 69, Ms Wang is coming back to you and saying, "Morning! In principle the person does NOT require to work in Wagga at all but preferably three months or less." Do you see that there?---Yes, I see that.

And so Ms Wang was making it clear to you, wasn't she, that the particular visa applicant might not actually turn up in Wagga at all?---Yes.

It was preferable that they do so for three months or less because it would then be more likely to look like a genuine employment relationship. Correct?---Yes.

20 And at least at that point in time the arrangement was \$40,000 for the employer and an introduction fee for you and Ms Wang to share of \$10,000. Is that right?---Yes.

And is that consistent with your recollection you were explaining before that in at least some cases the fee was something like, I think you said \$7,000, something like that?---Yes.

30 And so do we take it from that, that where the fee is \$10,000 your best recollection is that you probably got to keep seven and Ms Wang got to keep the other three, does that sound about right?---I can't be clear on that.

Is it the case though that in terms of what I'll call the G8way International fee, you would ordinarily be paid the larger share of that amount of money? ---No.

Well, we gave an example of a \$20,000 fee and I think you said you/G8way International would get \$15,000 and Ms Wang would keep \$5,000. Is that right?---Correct. Yes.

40 And so why was it split in that fashion? Why would you and/or G8way International get the larger slice and Ms Wang would get the smaller slice? ---I can't recall how that came about.

In relation to the business activities that you had with Ms Wang, is it right that you agreed to share fairly, and this was a general understanding you had with Ms Wang, you agreed to share fairly any profits that were made in relation to those business deals?---Business deals, yes.

And so, for example, you and Ms Wang sought to bring some oil technology to Australia. Is that right?---Yes.

And at least the understanding was that that would be dealt with on a half-half basis. Is that right?---Yes.

10 And that was because you thought that would be fair in circumstances where you were making the introductions but Ms Wang was in effect doing the running around. Is that right?---Yes. It was a little more complicated than that but, yes, yeah, I agree.

We'll come to the detail of the oil arrangement but just as a general proposition that's how you worked with Ms Wang.---Yes.

You try and work together in a common interest with a view to making some profits. Is that right?---Yes, yeah.

20 Sometimes that was through or connected with G8way International. Correct?---Yes.

Sometimes it wasn't. Sometimes it was just you and her.---Correct.

The oil matter that we discussed for example didn't have anything to do with G8way International. Correct?---No.

That was something that if it came off you would just share with Ms Wang. Is that right?---Yes.

30 There might be other people you might have to cut in, in the event that other people help but at least the starting point was you and Ms Wang. Is that right?---Yes.

And the general understanding, as I think blood brothers and sisters I think you might have said, was that you would fairly split any profits that were made in relation to the matter.---Yes.

It might be half-half or it might be a different proportion depending on the different bits of work that each person was doing. Is that right?---Yes.

40 And you had a similar arrangement with Ms Wang in relation to the immigration scheme. Is that right?---(No Audible Reply)

You would split the profits but you'd do it in a fair manner having regard to what each person was bringing to the operation.---I think it's fair to say that the agreement would vary depending on what was happening.

Not just what was happening but what each person was contributing to the arrangement. Is that right?---Yes.

If you weren't doing very much you wouldn't get very much money. If you were doing a lot you'd get more money.---Yeah.

10 THE COMMISSIONER: Sorry, Mr Robertson. What determined whether a matter went through G8way or was just one which you and Ms Wang dealt with as between yourselves?---Well, if, if G8way or the, the G8way network other than Ms Wang had something to do with an introduction and/or a successful outcome that would determine it, and that included Mr Elliott.

Even though Ms Wang was part of the G8way partnership?---Well, yes. She was associated.

She was described in the email Mr Robertson has shown you this morning as part of the partnership.---Yes, yes. Yes, that's correct, yes.

So is there any logic in the distinction - - -?---No, no logic.

20 - - - as to whether it was a deal you and she did together or one that went through G8way?---No logic, Commissioner.

And I take it at some stage you just did some business deals on your own behalf too. Is that correct?---With Ms Wang?

No, no, just for you.---No, not that, no.

We might come back to that.

30 MR ROBERTSON: Well, in relation to the oil project, for example, that was a business deal that you were attempting to do just with you and Ms Wang. Is that right?---We were investigating, yes.

It didn't ultimately come off but that was at least an attempt to do. Is that right?---It was an opportunity that we looked at, yes.

And you also looked at opportunities in the property development industry with Ms Wang as well.---Yes. Correct.

40 But I think that particular one might not have come off as well.---A lot of them didn't come off.

Back to page 130 of volume 23. So we got down to item number 69 and if we then just scroll down a little bit further you say, "I got the message thanks." And Ms Wang says about 10 minutes later, "Thanks, Daryl. Employer has no obligation to hire the person at all." Do you see that there?---Yes, I see that.

And so you understood Ms Wang to be making clear to you that if you put these businesses forward and they agreed to sponsor a particular visa applicant - - -?---Yes.

- - - they actually wouldn't have any obligation to hire that person at all, is that right?---That's what she's saying, yes.

They could have taken the money, taken the thing you called the training fee and taken the reimbursement of expenses - - -?---Yes.

10

- - - and not actually have employed this person as a genuine employment relationship at all?---Correct.

So do you agree that, at least as at 4 February, 2013, you were on notice that what Ms Wang was proposing to you and what Ms Wang was being involved in was what I called a cash-for-visa scheme?---I would agree but with the precursor that I took steps to correct that.

20 And when did you take those steps? Was it around the time of this meeting or, sorry, these messages or at some subsequent stage?---My recollection is yes.

And when you say you took steps to correct it, did you do anything other than speak to Ms Wang about the matter?---My recollection is no.

30 Why didn't you seek to satisfy yourself that in circumstances where, I think you agree, it looks pretty suspicious as at the time of Ms Wang's message of 4 February, 2013, why didn't you say to Ms Wang in effect, "I don't want to have a bar of this, I'm a member of parliament, I have to uphold high standards and it looks like you're trying to put forward my constituents, and perhaps others, into something looks like an illegitimate scheme"?---My recollection is I did have a heated discussion with Ms Wang about not breaking the rules and about people having to turn up and honour the commitment and not putting at risk individuals who were taking on these workers.

THE COMMISSIONER: You didn't appear to in the exchange we've just seen in the text - - -?---No.

40 - - - because Ms Wang says the first one is about the worker not necessarily having to turn up, or words to that effect, on 4 February, at 9.16. In principle wasn't required to work in Wagga at all, and your response is just, "I got the message." You don't say they should turn up, they have to turn up. You don't remonstrate with her then.---My recollection is that there were, there was a call and/or a meeting in where the issue was ironed out – that's my recollection, Commissioner.

Well, she repeats the proposition for some reason at 9.55. Will you just scroll down to the next text, please, Mr Grainger. Is that the end of that, page 10 or 131. The next email or next text is the next day at about 7.00 in the morning and it appears to be something to do with Mr Woods?---Yes, but my recollection still, Commissioner, is that there was a heated conversation at some point about the workers having to turn up. That's very clear in my mind.

10 MR ROBERTSON: Now when you say that heated conversation, are you saying that happened within short order of the text messages that you've just been referring to?---At some point during that there was a conversation at some point during that, I can't recollect at what point.

When you're saying at some point, you mean around about the time of those messages - - -?---Yes.

- - - by which I mean within the next few days or the next few weeks you saw those messages and said to Ms Wang, "We might have a bit of a problem here." Is that right?---That's my recollection.

20

Did you make any contact with the businesses that you had, by that point in time, referred to Ms Wang to say, "Look I'm a bit suspicious about this. You might want to be extra careful"?---No, I didn't. I didn't because I was promised that that, the rules would be adhered to. I want to make that clear, I was promised that the rules wouldn't be broken, that's my recollection.

But you agree, don't you, that you're at least on notice of a possibility, if not a likelihood - - -?---Yes.

30 - - - that the rules would be broken, correct?---Correct and I, and I recall that I took steps to be very clear about the rules and putting people at risk.

But just with Ms Wang and not with the businesses themselves. Is that right?---Just with Ms Wang, yes.

I mean, you must have been concerned about these businesses, mustn't you, in that at least most of them were your constituents at that point in time, correct?---Yes.

40 You must have been concerned that you were at risk as a member of parliament - - -?---Yes.

- - - putting your constituents in a dodgy scheme. Is that right?---Yes.

And so are you saying that you made contact with Ms Wang within short order of those messages, which we saw was early February of 2013, with a view to trying to straighten that particular issue up?---To the best of my recollection, yes.

And when you say, "It's got to apply by the rules," or something like that, what are the particular rules that you're now referring to?---Well, the immigration rules.

Did Ms Wang make clear to you, perhaps Ms Monika Hao, that one of the requirements of the particular visas that were being put forward was an employment relationship for a period of two years?---I believe so.

10 And in relation to a Regional Sponsored Migration Scheme visa, which was one of the kinds of visas, that the location of the position had to be in a regional area?---Yes, correct.

And indeed that an Australian national or an Australian resident was not available to fill the position, was one of the requirements.---I, I, I recall that was one of the conditions.

20 And is that something that you knew in advance or is it something that you only knew afterwards?---I can't be clear about that.

Now, isn't it the case that after the exchange that we saw in February of 2013, Mr Elliott sought to get entities associated with the Wagga RSL involved in this immigration scheme?---I believe so, yes.

And that ultimately wasn't successful. Correct?---No, I don't believe so.

30 And it wasn't successful because people at the RSL, and in particular the caterer at the Wagga RSL, didn't want to be involved. Correct?---Yes, I understand this.

And they didn't want to get involved because they thought it was a scam. Correct?---Apparently so, yes.

Well, not just apparently so, that was something that was communicated to you by Mr Elliott. Correct?---I don't recall, but, I don't recall exactly but yes.

40 Well, let me help you with your recollection. Can we go to page 143 of volume – sorry, I withdraw that. Page 122 of volume 9, Exhibit 134. This is an email from Mr Elliott to your iPrimus email address.---Ah hmm.

So 15 May, 2013. So we're now a couple of months after, indeed three months or thereabouts after the text messages that I showed you before. ---Mmm.

"So Tim is out for sure." Do you see that there?---Yes.

That's Tim who at that time was the caterer within Wagga RSL. Is that right?---Yes.

"And even wanted to return his \$1,000." Do you see that there?---Yes, I see that.

What was the \$1,000 that Tim wanted to return, do you remember?---My understanding it was an application fee.

10 As in a payment that Tim gets for what, for attending a meeting or for exploring whether or not to - - -?---I think so, yes.

- - - be involved in the scheme?---I think so, yes.

Mr Elliott says, "The RSL is out in whole." He says, "I think the major hurdle in the end was the explanation by Maggie and Monika of how it works. They really need to be careful."---Mmm.

20 "When asked by Tim what happens if immigration officials turn up, he was told, 'They probably won't, but on the off chance they do, tell him he is on leave/holidays/sick et cetera.'"---Mmm.

See that there?---Yes, I see that.

And it says, "The other thing was the candidate. He was excellent, but telling fibs." See that there?---Yes, I see that.

30 So this is three months or so after you say you were put on notice of concerns about the legitimacy of the immigration scheme.---Mmm.

This must have fortified or underlined your concerns regarding the legitimacy of this scheme, surely. Do you agree?---Yes.

THE COMMISSIONER: Well, it's apparent from the paragraph commencing, "When asked," that Maggie and Monika have explained to Tim that the worker wasn't going to turn up.---Mmm, yeah.

40 And that he would have to lie to immigration officials to explain his absence.---Mmm, yes.

So if you had in fact had the fierce argument or whatever you say you had with Ms Wang after the February text, it hadn't had any effect on her apparently.---No.

MR ROBERTSON: So you must have known, including up until May of 2013 that this was a scam. Do you agree?---(No Audible Reply)

An essential element of this scheme, including in the way that Maggie and/or Monika explained it, was potentially lying to immigration officials. Do you agree?---Yes, I agree.

So you knew that at the time that you were introducing at least some of the businesses. Do you agree?---I was misled, but I agree.

You weren't misled by this email, were you?---No, no.

10 In fact, you were correctly led.---I agree, I agree, I agree.

The email was making clear to you, wasn't it, that the scheme, at least in that point in time, involved lying to immigration officials, correct?---Yes.

So do you agree, then, that at the time that you referred at least some of these businesses you knew it was not a, what I call a legitimate immigration scheme but rather was in the nature of what I've called a cash-for-visas scheme. Do you agree with that?---On reflection, yes.

20 Well, not just on reflection, you realise that was the case at the time that you were referring at least some of these businesses. Do you agree?---Yes.

And you decided to proceed anyway because there was potential money for you in the event that you continued to refer businesses into this immigration scheme. Do you agree?---Yes.

Do you agree that that was something that was quite wrong for you to do, noting that at least many of these businesses were constituents of yours?  
---Yes.

30 You must agree that it was a breach of the public trust placed in you to proceed with this immigration scheme, correct?---Yes.

But you did it in your own personal financial interests.---Yes.

Do you agree?---Yes.

Commissioner, I'm about to move to another topic which will take longer than 10 minutes, is that a convenient time?

40 THE COMMISSIONER: Yes.

MR ROBERTSON: This will be the first occasion that I'll suggest an early lunch rather than a late one.

THE COMMISSIONER: Should we resume at 10 to 2.00, at 2.00?

MR ROBERTSON: I suggest 2 o'clock if that's convenient.

THE COMMISSIONER: We'll adjourn until 2.00pm.

**LUNCHEON ADJOURNMENT**

**[12.52pm]**