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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE RUTH McCOLL AO
COMMISSIONER

PUBLIC HEARING

OPERATION KEPPEL

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON MONDAY 28 SEPTEMBER, 2020

AT 10.00AM

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

THE COMMISSIONER: Yes, Mr Robertson.

MR ROBERTSON: Commissioner, in terms of the program of witnesses today, I will call Mr Andrew Bell shortly. I'll then call Mr Gerry McCormick. If time allows, I'll get my learned junior Mr Brown to formally tender Gordon Tse's evidence, which we intended to do last week but were not able to do so due to other time commitments. I suspect today will be a relatively short day, but it will probably take most of the day to get through those three bits of evidence. Those are the only housekeeping matters from my perspective.

THE COMMISSIONER: Yes.

MR ROBERTSON: I call Andrew Charles Bell.

THE COMMISSIONER: Yes, thank you, Mr Robertson. Mr Bell, do you wish to affirm or take an oath?

MR BELL: Affirmation, please, Commissioner.

THE COMMISSIONER: Very well.

THE COMMISSIONER: Thank you, please be seated. Mr Heazlewood, you appear for Mr Bell?

MR HEAZLEWOOD: Yes, I understand leave has been granted, Ms Commissioner, yes.

10 THE COMMISSIONER: Yes, it has. Thank you, Mr Heazlewood.

MR HEAZLEWOOD: Thank you.

THE COMMISSIONER: Just while I've noted Mr Heazlewood was granted leave to represent Mr Bell, I note that Ms Catherine Gleeson has been given leave to represent Mr Tim Lakos. Yes, Mr Robertson. Oh, sorry. Mr Heazlewood, have you explained to Mr Bell his rights and liabilities under the Independent Commission Against Corruption Act?

20 MR HEAZLEWOOD: I have, Commissioner, and we would ask for a declaration. Thank you.

THE COMMISSIONER: Very well. Please listen to me very carefully, Mr Bell. As a witness, you must answer all questions truthfully and produce any item described in your summons or required by me to be produced. You may object to answering a question or producing an item. The effect of any objection is that although you must still answer the question or produce the item, your answer or the item produced cannot be used against you in any civil proceedings or, subject to exceptions, in any criminal or
30 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 NSW public officials, and I don't understand you fall into that category. I can make a declaration that all answers given by you and all items produced by you will be regarded as having been given or produced on objection. That means you don't have to object with respect to each answer or production of the item, and I understand you would like me to
40 make that declaration.---Yes, please.

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.

THE COMMISSIONER: Yes, Mr Robertson.

MR ROBERTSON: Can you state your full name, please?---Andrew Charles Bell.

You are the Chief Executive Officer of Wagga RSL Limited, is that right?
---That's correct.

And you've held that office since I think about 1996?---'97.

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

How do you know Mr Maguire?---Through business connections. I've met him as, I was a member of the chamber of commerce and other bodies in town. I've met him at different functions.

When you say by way of business connections, what do you mean by that?

---Oh, I first met Mr Maguire when we had a problem gambler who was employed by him, and I brought it to his attention.

Has Mr Maguire ever offered you assistance in relation to staffing issues at the Wagga RSL?---Not directly.

When you say not directly, do you then mean indirectly?---Yes.

And what do you mean by indirectly?---Through an associate of his, Mr Phillip Elliott.

And what assistance did Mr Maguire provide through Mr Phillip Elliott?
---They were offering a visa scheme where we could employ a, we thought, a Chinese national for a period of time.

How did you know that that was being provided by Mr Maguire through Mr Elliott?---Mr Elliott told us it was suggested by Mr Maguire.

And was Mr Elliott doing that, as you understood it, off his own back, or was he doing it by reference to some company or other organisation?
---There was no reference to any company, that I remember.

Have you heard of an organisation called G8way International?---Yes, I have.

In what context have you heard of that organisation?---I know that Mr Elliott is the director of G8way International.

10

And what does G8way International do, or what has it done, as you understood it?---As I understand, it facilitates connections between people in China and people in Australia for business purposes.

Was that something that you knew at the time that Mr Elliott proposed what you described as a visa scheme, or is that something you only found out at some later stage?---I'm not sure.

20 So you may have known it by that point, or it may have been at some later stage, is that right?---The, the visa scheme was back in 2013, I believe, and I really wouldn't know when I found out about G8way.

So what were your dealings with Mr Elliott in relation to what you've described as the visa scheme?---Mr Elliott came to us and suggested that we could employ a Chinese national through a visa application scheme at very little cost to the club.

30 When you say at very little cost to the club, what was your understanding as to the costs that would be involved or any incentives that might be provided in relation to that visa scheme?---The, the initial discussion was that there was an incentive payment at the start, and that the applicant would pay their own wages for a period of several months.

And that was explained to you by Mr Elliott, is that right?---Yes.

When you say an incentive payment, how much was the incentive payment?
---I think it was \$20,000.

40 So just to be clear, Mr Elliott puts forward to you this visa scheme, is that right?---Yes.

Mr Elliott at that point in time I think was a board member of Wagga RSL Limited, correct?---Correct.

He's still a board member as well, I think, is that right?---Yes.

And the critical elements of that scheme were, firstly, Chinese national, correct?---Yes.

Incentive payment of \$20,000, correct?---Yes.

And was it, what, reimbursement of wages for a period of I think you said three months, is that right?---I think it was two months.

A two-month period?---Yes.

10 And was that proposal in relation to Wagga RSL Limited itself or was it in connection with some other entity associated with Wagga RSL?---It was actually a trio of proposals because we had two contract caterers and Mr Elliott was suggesting that we used one of these schemes for each of the caterers plus the club itself.

Plus what, sorry?---the club itself.

So there were, as it were, three possible entities that might be involved in the scheme?---Placements.

20 The RSL itself, plus those two separate contract clubs, is that right?---Yes,

Did any of those entities ultimately enter into what you have described as the visa scheme?---No.

Were there any meetings associated with attempting to progress the possibility of the visa scheme?---Yes.

30 And can you explain what that or those meetings were?---We had a – first of all, Mr Elliott suggested that Mr Tim Howe, who was our main caterer at the club, would be the ideal candidate to take on one of these applicants. So we had a talk with Tim, and in the meantime Mr Elliott set up a meeting in Sydney where he and Mr Howe were going to be meeting with Maggie Wang. I happened to be in Sydney at the time so I joined the meeting, and that was the meeting where it was discussed.

Where did that meeting take place?---Sydney Airport.

40 Who was present at that meeting?---It was myself, Mr Howe, Mr Elliott and Maggie Wang.

Now, was that the first time you met Maggie Wang or had you met her at some previous period of time?---First and only time.

Was there anyone else present at the meeting other than those that you have just identified?---I have no memory whatsoever of anyone else being there, but the investigators did tell me that there was someone else there.

Is it possible that Ms Wang had an offsider with her at the meeting?---I don't, it is possible but I don't recall.

And so there was a meeting organised in Sydney, I think at the airport, is that what you said?---That's correct.

You didn't fly in especially for that meeting. You were already in Sydney, is that right?---I was already in Sydney at the airport waiting to catch a plane home.

10

And do you recall whereabouts in the airport the meeting took place?---In the business meeting rooms at one end of T2.

So they're not in Qantas Club itself but there's a series of meeting rooms towards the apron area of the - - -?---The carousel end of the - - -

The carousel end of Terminal 3 at Sydney Airport.---Terminal 3, sorry, yeah.

20

My recollection is that it's Terminal 3 of the Qantas - - -?---Yeah, could well be.

I may be mistaken. Can you just explain what happened during the course of that meeting? In particular, what was explained by anyone in relation to the visa scheme?---Maggie took charge of the meeting and she explained, she went through the incentive payment, the payment of wages, and by this stage both Tim and myself were a little bit wary of the whole scheme and we were asking questions, particularly Tim. I was trying to leave it up to him, because it was his business that was being discussed, and it came out from Maggie that the applicant may not turn up for work.

30

Now, doing the best you can, what words did she use in relation to that question about whether or not the applicant would turn up to work?---That's a very real stretch but the impression was that he may or may not turn up to work.

So it was clear to you, was it, that from the words she used, or perhaps the way she delivered them, that there was a possibility that Mr Howe's organisation, or indeed Wagga RSL itself, in the event that it formed part of the visa scheme, might be part of this scheme, but the human, the employee, might not actually turn up at all?---That's correct.

40

Was there any discussions as to what Mr Howe should do, or perhaps what you or others within Wagga RSL should do, in the event that the scheme was entered into but the visa holder didn't turn up, the employee didn't turn up?---I can't remember exactly if anything was said, but the impression I had from that was that we should do nothing.

I'm sorry, say that again?---That we should do nothing and just accept it.

Was there any discussion as to what should occur in the event that immigration officials were to make enquiries or perhaps to even turn up?
---There was a very strong suggestion that we should lie to them.

10 When you say there was a very strong suggestion, doing the best you can, I appreciate this was a very long time ago, what did anyone say about that particular question?---That we should tell the immigration officials that the person in question was on leave or sick leave or not working that day.

And who told you that you should say that in the event that immigration officials turn up or make enquiries?---Maggie Wang.

You said that there was a reference to an incentive payment during the course of the meeting, is that right?---Yes.

20 Was there a discussion as to the quantum of that incentive payment?---The amount of money discussed that would go to Mr Howe was \$20,000.

And you also referred to payment of wages. What was discussed in terms of payment of wages?---That wages would be reimbursed on a regular basis by the applicant.

And so the visa scheme, as you understood it, was an incentive payment paid by the employer – in this case Mr Howe – \$20,000, is that right?
---That's correct.

30 And that there would be a reimbursement of wages, is that right?---Yes.

And was there a discussion as to what period there would be a reimbursement of wages for?---I believe it was two months.

And you use the word "reimbursement". So do we take it from that that the idea was that the employee would be paid in the ordinary way, through the books, and then reimbursed? Is that what we understand by that?---That's the impression I had from the meeting, yes.

40 You said a little while ago that you were wary, I think was your words, of what was going on. Why were you wary?---I think visas are to be used for the right purposes. To me, this didn't seem to be for the right purposes, where the applicant was actually paying money upfront and paying their own wages to get access to a visa.

So based on what you were being explained during the course of the meeting, it looked at least a bit fishy to you, if not an outright fraud. Is that fair enough?---I think before the meeting I had described it to Mr Elliott as it looked dodgy.

So before the meeting itself, you thought it was a bit dodgy.---Yes.

And, what, I take it that those suspicions were confirmed in your mind during the course of the meeting?---It got dodgier, yes.

10 THE COMMISSIONER: Did you get any understanding, during the meeting, about the potential applicants' qualifications to work in Mr Howe's business?---We were given a CV for the applicant, but to me it wasn't very impressive. It did show some aptitude for the catering business though yes.

Do you recall in what respect?---He'd done some training, I think, at some stage, in, in food preparation.

I see. Thank you.

20 MR ROBERTSON: Do you recall whether you were provided with any other documents other than the CV during the course of the meeting?---Yes, there was a, I don't know what you'd call it, a list of requirements or a list of conditions of the employment for the applicant.

Were you given any other documents that you can recall?---No.

Was there, for example, any contract or arrangement or anything of that, of that kind identifying what Wagga RSL or perhaps Mr Howe's company would be required to do and what he or the company would get in response?---I certainly didn't receive any of those documents. I'm not sure about Mr Howe.

30 Can we go, please, to volume 19, page 109, which is the second page of Exhibit 146. Do you see there a, what appears to be a résumé of a Mr Peng, P-e-n-g?---Yes.

Does that look like the document you were just referring to?---Yes.

Someone who has "a great passion for the capital markets and cooking". Is that right?---Yes.

40 If we can just go to the preceding page of Exhibit 146. Do you see there a document titled Training Agreement, which is said to be between Wagga Wagga RSL and Mr Peng? Do you see that there?---Yes.

Have you seen that document before?---I have.

Do you recall when you first saw that document?---It was somewhere around the time of the meeting. I think it may have even been after the meeting. I'm not sure.

Is it possible that you were given it during the meeting?---It is possible.

But I think you're saying it's possible that it was not given to you until after the meeting?---It is possible.

I take it that you and, to your knowledge, no one else within Wagga Wagga RSL ultimately signed an agreement to the effect of the one on the page?
---No.

10 At what point was the decision made, at least in your mind, that you weren't going to proceed with what you've described as the visa scheme?---From a club perspective, I probably made that decision before I went to that meeting. But from the discussion with Mr Howe, it probably happened at that meeting.

Why, if it was already clear in your mind that at least RSL didn't want to be involved in this visa scheme, did you go along to the meeting anyway?---To assist Mr Howe.

20 But at that point in time you thought the visa scheme at least looked a bit dodgy, is that fair?---Yes.

But you went along anyway?---Yes. I think it was just an exploration for me.

Was the fact that you were introduced to this scheme by Mr Maguire, albeit through Mr Elliott, a factor that you took into account in deciding whether to investigate whether the scheme was something that Wagga RSL or perhaps Mr Howe might be interested in?---In what sense do you mean that?
30

Well, as I understand it, you were first introduced to this scheme by Mr Maguire through Mr Elliott, is that right?---Ah hmm. Yes.

Is the fact that it was introduced to you by Mr Maguire, then a member of parliament, as opposed to a random person off the street, did that influence your consideration as to whether that scheme was something worth pursuing or at least considering?---To a small extent. Someone in Mr Maguire's position you hold an inherent trust of in some, in a lot of ways I believe.

40 THE COMMISSIONER: What was it that made you think, nevertheless, even before you went to the meeting at the airport and communicated this to Mr Elliott, that it looked dodgy?---I've always believed if something looks too good to be true, it generally is, and to receive a free staff member for however many months, it is strange.

I see. Thank you.

MR ROBERTSON: But I think another factor you were explaining before is that it least looks a bit, to use your terms, dodgy, the idea that someone might get a visa and in a sense be paying some money for that, is that right?
---Yeah, buying the visa.

In effect buying the visa was a concern that you had?---Yes. Yeah.

10 And plainly enough is not something that you would have wanted the Wagga RSL to have any involvement in?---And that comes down to caterers that are onsite too, that's why I took an interest. I thought - - -

Can you just explain that, sorry?---Well, the caterer onsite is Mr Howe. If we're not prepared to do it, then I wanted to be there to talk to him about whether he was prepared to do it.

So, in effect, you were concerned about reputational damage that might be done to Wagga RSL itself?---Yes.

20 Even though if Mr Howe was employing the employee, it wasn't Wagga RSL, it was Mr Howe's separate organisation?---If the food's bad, it's the club's fault, not the caterers, for instance.

And similarly if one of the caterers has engaged in some unlawful activity, there might be some blowback back to Wagga RSL Limited itself?---Yes.

Which, as CEO, you were concerned about, amongst other things, the reputation of the club?---Yes.

30 In terms of the meeting itself, who was it that organised it, as you understood it? Was that Mr Elliott or was it someone else?---I think it was Mr Elliott.

In terms of booking and paying for the meeting room, was that something that you took care of or is that something that someone else took care of?
---No, we certainly didn't take care of it. It was, as far as I'm aware, it was Mr Elliott.

40 What about expenses in terms of you being able to attend and Mr Howe being able to attend?---There was no expense for me to attend because I was already onsite. Mr Howe paid his own airfare up and back and there was an offer of compensation from Maggie Wang to Mr Howe.

When was that offer made?---I think it was made before the meeting and it was actually carried out at the meeting.

When you say "actually carried out," what do you mean by that?---An envelope with \$1,000 cash in it.

So during the course of the meeting, Ms Wang passed over an envelope to Mr Howe containing \$1,000, is that right?---Not quite. I, I believe Mr Howe and I were leaving the meeting and Ms Wang passed the envelope to Mr Elliott.

To Mr Elliott or to Mr Howe?---Mr Elliott.

So Ms Wang passes an envelope immediately after - - -?---I didn't, I didn't, I didn't see that though. I assume that's happened.

10

So how do you know about that, then?---Because Mr Elliott had the envelope.

And what happened then in terms of the envelope, as you understood it? ---I'm actually not sure whether he gave it to me to give to Mr Howe or whether he gave it direct to Mr Howe.

But one way or another, an envelope with \$1,000 ended up in the hands of Mr Howe, is that right?---Yes.

20

Did you yourself receive any payment in relation to that meeting?---No.

So as you understood the position, Mr Howe receives a payment of \$1,000, is that right?---Yes.

Did anyone else receive a payment in connection to that meeting, as you understood it?---Not to my knowledge.

30

As you understand it, did Mr Howe keep the \$1,000?---No, he did not. He came to me a few days later and said he didn't want anything to do with the scheme and he didn't want the, the money, and he handed it to me and it's still in an envelope.

And what did you then do with that money?---I put it in my top drawer until the next time I saw Mr Elliott and I then handed it to him.

So money of \$1,000 got to Mr Howe, perhaps via Mr Elliott, perhaps directly. The money ended up with you because Mr Howe wanted to give it back and you ultimately gave that money back to Mr Elliott, is that right?

40

---Yes, yep.

And did you see any other money changing hands either at the meeting or in connection with the meeting or was it just the \$1,000?---Just that \$1,000.

And you're quiet clear in your mind that there was no incentive payment made to you as opposed to Mr Howe?---Absolutely.

You were in possession of it for a period of time but it ended up going back to Mr Elliott, is that right?---Correct.

THE COMMISSIONER: Was Mr Elliott a director of the club at that stage?---Yes, he was.

MR ROBERTSON: Now, the events of this particular meeting, did you ultimately report them to the board?---I reported it to the president, yes.

10 And I think the president called an extraordinary board meeting in relation to this issue, is that right?---He did.

And there were minutes taken in relation to that meeting?---There were.

I'll just put them up on the screen. Exhibit 133, volume 9, page 120. But the long and short of it was that the president was very unhappy with what Mr Elliott did in connection with that meeting, is that right?---Very unhappy.

20 That's page 120 of volume 9, also Exhibit 133. On the screen, are those the minutes of the special meeting to which you referred a moment ago?---Yes.

And this meeting I think took place within a few days of, at least within a week of the meeting at Sydney Airport, is that right?---I think the meeting at the airport was the Thursday before this.

And you were in attendance at the special meeting, is that right?---Yes.

30 And you agree that these minutes set out, at least in general terms, of what occurred during the course of the special meeting, is that right?---Yes.

And you will see there, "Immigration Issue 3.1, Mr Elliott explaining his interest in promoting or sponsoring Chinese people," et cetera. And you'll see that Mr Elliott declared that – the second full paragraph – declared that if the placement was successful, he would receive a payment for any sponsorship. Do you see that there?---Yes.

40 And the gist of the meeting, at least in the mind of the chairman and also Ms – is it Whitley or Whiteley?---Whitley.

Mrs Whitley, in section 3.2, was a concern about an undeclared conflict of interest and duty in relation to Mr Elliott.---Yes.

Now, after this point in time, did Wagga RSL or any of the entities associated with the Wagga RSL have any involvement in what you've described as the migration scheme, or the visa scheme?---No.

THE COMMISSIONER: Before, I'm not sure if – have you finished with those minutes? Because I'm just going to ask Mr Bell one more question.

MR ROBERTSON: Please do.

THE COMMISSIONER: Mr Bell, you've already said that, as you understood it, Mr Elliott received some money at the airport?---Yes.

10 Did you understand that he passed some money to either directly to Mr Howe or to you to give to Mr Howe?---Yes.

Did you understand or know whether he retained himself any money - - -?
---I wasn't aware of it, no.

20 Well, can I – so on this occasion, if you look at about point 3 of the way down the page, Mr Elliott declared Mr Howe had received a payment, and Mr Elliott had also received a similar payment as part of his business. And then in the second paragraph, he declares that if the placement was successful, he would receive payment for any sponsorship.---Yes.

It would appear that he declared at that meeting that he was entitled or had received one payment already, and was entitled to a further payment if the placement had been successful.---It's, it did come out at this meeting that he received – excuse me – \$1,000 as well.

So he had already received the same amount that had been proffered to Mr Howe?---Yes. Yes.

30 Did you have any idea of what payment he would receive if the placement was successful?---At that time, no.

Did you subsequently become aware of what he would have received - - -?--
-I believe it was going to be around \$30,000.

How did you arrive at that, receive that information?---I think it was in, it may have even been in one of the exhibits that I read last week, Commissioner. But - - -

40 If it's already come out in evidence, but did you have any understanding prior to that of the quantum, of the amount he might have received?---I couldn't be sure. I don't know.

Very well. Thank you.

MR ROBERTSON: Is it possible, though, that you did find out that information before you read it in the exhibits as part of this inquiry?---Yes.

In terms of, Mr Elliott receiving money, did you say before it was possible that Ms Wang gave an envelope to Mr Elliott and then Mr Elliott gave you the money for Mr Howe?---It is possible, yes.

Did you see a separate exchange? So as I understood it, you were saying Ms Wang provides an envelope, possibly to Mr Elliott directly, or if not, then to you, do I have that right?---I, I didn't see the exchange at all. I think Mr Howe and I were leaving the meeting, and Mr Elliott stayed back with Ms, Ms Wang for a short time.

10

So it's clear in your mind, is it, that you receiving the money that then goes to Mr Howe came from Mr Elliott, if I can put it that way?---Yes. Yes.

Now, you've drawn the inference that it came from Ms Wang.---Yes.

Because it happened immediately after the meeting, is that right?---Yes.

Because Mr Elliott was hanging back with Ms Wang, is that right?---Yes.

20 And Mr Elliott gives the, gives you cash, is that right?---Envelope, yes.

Gives you an envelope. You open that envelope and see that it's got cash in it.---I didn't open it.

No? How did you know that that was an envelope for Mr Howe?---Mr Elliott told me.

So Mr Elliott has an envelope, says to you, "This is for Mr Howe," and you give it to Mr Howe?---Unless he gave it straight to Mr Howe, I'm not sure.

30

So it's possible it was through you. It was possible direct to Mr Howe.---I could've been standing there.

But one way or the other, it was Mr Elliott and not Ms Wang - - -?---Yes.

- - - who gave the money, either directly or indirectly, to Mr Howe, is that right?---Yes.

40 And how did you find out that the envelope contained money in it?---I think Mr Elliott mentioned it at the time for expenses.

When you say "at the time", you mean during the course of the meeting or afterwards or before?---It may have been mentioned during the meeting but it was probably mentioned after the meeting.

But one way or the other, Mr Elliott has made clear to you that there's going to be an envelope for expenses for Mr Howe for \$1,000, is that right?---Yes.

And presumably Mr Howe, well did you catch the same plane back with Mr Howe to Wagga?---We did, yes.

And presumably Mr Howe, at some point, said, “Well, that’s good. I’ve got this envelope and there’s \$1,000 sitting in it.” Is that right?---Mmm, that’s right.

Something like that.---Yes.

10 And ultimately you knew there was \$1,000 because Mr Howe gave you that \$1,000 because he didn’t want to keep it in light of what had happened. ---Still in the same envelope.

Still in the same envelope. You give that back to Mr Elliott, is that right? ---Correct.

But you’re quite clear in your mind that you didn’t receive for yourself and keep any payment in relation to - - -?---No, I did not.

20 - - - the meeting that we’ve just discussed? That, what you described as the visa scheme, is that the only business-type relationship where you’ve had dealings with Mr Elliott?---Not strictly speaking, no. We, the club buys furniture in China, and Mr Elliott facilitated an initial introduction with people in China.

And did that ultimately lead to the purchasing of goods in China?---Yes.

And was that done through a particular individual in China or particular company in China, as you recall?---Yes.

30 And who is that individual?---Mr Gordon Tse.

What organisation, if any, is Mr – that’s T-s-e, I take it?---T-s-e, yes.

What organisation is Mr Tse associated with, as you recall?---I think his company’s called Golden Sample.

40 Is Mr Tse someone you knew of separately or is he someone that you were introduced to by Mr Elliott?---Mr Tse used to live in Wagga and he was the caterer at a rival club for many years.

Is that the Rules Club?---The Rules Club, yes. And I met him during the course of work a couple of times, before he moved back to China.

So he was someone that you knew of before you had any dealings with his company, with a view to buying various goods for the Wagga RSL, is that right?---Knew of, but only knew him as a caterer.

And then in terms of introduction to him, not as a caterer but, rather, as someone who might be able to source goods for Wagga RSL, that introduction was made through Mr Elliott, is that right?---Yes.

Did Mr Maguire have anything to do with that particular introduction, as you recall it?---Not that I'm aware of.

Did you attend China for the purposes of looking at goods to see what Wagga RSL might purchase?---Yes.

10

And on how many occasions, roughly, did you do that?---Four.

Was that with Mr Elliot in tow or was it not with Mr Elliott in tow?---Only in one trip was he there.

And in terms of the China end, who was taking care of the China end? Was that Mr Tse or - - -?---Yes.

20

So, what, Mr Tse would organise for you to look at particular vendors or potential vendors of product, and you'd go around and say, well, we need lots of knives and forks, say - - -?---Yep.

- - - or we might need bar stools, et cetera, et cetera.---We would send a list of goods required, his staff would source likely suppliers, and when we hit the ground there, they would take us to meet the suppliers.

Now, to your knowledge, did Mr Tse or his company charge a commission in relation to purchases of that kind?---Yes.

30

And to your understanding, was Mr Elliott, or any entity associated with Mr Elliott, entitled to some commission as well?---Not that I was aware of.

Did you personally receive any commission in relation to those trips?---No.

You're quite sure about that?---Not in relation to purchase of furniture.

In relation to anything else?---Yes.

40

In relation to what?---I act as a referral service for Mr Tse and referred other clubs to his services.

So just to be clear, are you saying that you never personally received any commission, either directly from Mr Tse or indirectly through Mr Elliott or anyone else in relation to the purchases for the benefit of the Wagga RSL? ---Correct.

But you did receive certain commissions when you referred other organisations to Mr Tse and Golden Sample, with a view to them purchasing - - -?---Yes.

- - - purchasing product from overseas, is that right?---Yes.

In relation to the trips to China themselves, who paid for the expenses and the like, paying for airfares and things of that kind?---Wagga RSL Club.

10 So Wagga RSL Club paid for your airfares, is that right?---Yes.

Paid for your visa expenses?---Yes.

Who actually organised the visas, do you recall?---Our travel agent.

And then in terms of the China end, things like accommodation, transfers, things of that kind, who paid for those?---The RSL Club again.

20 Not paid for by Mr Tse or his organisation?---No.

And so in effect the expenses for those trips are all through Wagga RSL, and ultimately Wagga RSL is paying for the purchase price with a commission built in for Mr Tse's organisation, is that right?---That's correct.

Now, in terms of Mr Elliott – and you may have answered this, I'm sorry – but was Mr Elliott entitled to a commission from that exercise, as you understood it?---Not that I was aware of, no.

30 So he may well have been paid some commission from Mr Tse, for example, like you were in relation to your referrals, but that's not something personally known to you, is that right?---I don't, I have no knowledge of that.

Did those trips, as you understood it, and those referrals have anything to do with G8way International?---It was G8way International that invoiced us for the introduction service.

40 So it was G8way International who first made the introduction, is that right?---Yes.

THE COMMISSIONER: To Mr Tse?---To Mr Tse, yes, Commissioner.

MR ROBERTSON: And so it was Mr Elliott in terms of the human that made that referral.---Yes.

But it was clear to you that Mr Elliott was doing that as G8way International?---The invoice came from G8way International.

The invoice for what? What, for the - - -?---For the introduction.

For the introduction itself.---Yeah.

So you recall receiving, addressed to RSL, to Wagga RSL Limited, an invoice from G8way International for the introduction to Mr Tse?---Yes.

10 And you knew that Mr Elliott was associated with G8way International?
---Yes.

And so Mr Elliott is, through G8way International, has an interest in that deal, that dealing between G8way International and Wagga RSL?---Yes.

Do you know whether that involvement or that interest was disclosed to the Wagga RSL Board?---It was.

And was it disclosed in advance of that taking place?---No.

20 When was it disclosed, then?---On our return from the, that first China trip.

So after it had already happened, and after, as it were, a deal had already been done, Mr Elliott reported to the board that he stood to gain in relation to these arrangements, where Wagga RSL were buying product from overseas?---Purely in terms of the introductory fee, yes.

30 Purely in terms of the introductory fee. And do we take it from that that he didn't also indicate whether he stood to gain in relation to the commission that, as you understood it, was being charged by Mr Tse's organisation?---I don't believe the admission of conflict of interest included that.

So your best recollection is that Mr Elliott indicated, "I'm associated with G8way International. G8way International has charged an introduction fee to Wagga RSL," but didn't go further and say that G8way International, or perhaps Mr Elliott, had some interest in the commission that Wagga RSL Limited will be paying to Mr Tse's organisation for the product that Wagga RSL is going to be purchasing?---That's correct.

40 Do you happen to recall approximately what the commission was that Wagga RSL agreed to pay to Mr Tse's organisation?---8 per cent.

And who ultimately paid that commission?---Wagga RSL Club.

So that formed part of the bill, as it were - - -?---Yeah.

- - - picked up to Wagga RSL and paid as part of the overall price?---It's actually itemised on the invoice.

Well, just to give context to what you've said, can we go, please, to volume 9, page 66, so we can see precisely what you're talking about, just by way of example.---Ah hmm.

Is this an example of the kind of invoice that you were just referring to?

---Yes.

And so you're buying multiple things, chairs, et cetera, et cetera. Let's just go down a couple of pages. 1,500 or perhaps 1,800 plates, et cetera.---Yep.

10

And then if we go down to the last page of the document, which is page 72, do you see there's some payment details? Do you recall how these particular invoices for Mr Tse or for Golden Sample were paid?---They were paid by direct deposit into the bank there.

So into the Hong Kong bank account we can see there?---That's correct.

But I think they're nominated in Australian dollars, is that right?---I didn't handle the payment so I'm not sure.

20

So you, in effect, sent the invoice to your accounts people and said, "Pay this"?---Yes.

And if we just go back one page, if you have a look, see item 36, eight per cent management fee, do you see that there?---Yes, yep.

And so was that what you were referring to before, the commission payment was an eight per cent management fee that Mr Tse's company was being paid?---Yes.

30

And is it right that at least at the time that you were doing these deals in order to procure this product, you understood that the whole of the eight per cent would be kept by the Golden Sample company?---That was my understanding.

And you didn't understand, at least at the time, that Mr Elliott would be entitled to any component of that management fee?---No.

40 You deny that you personally had a stake in the eight per management fee, is that right?---I had no stake whatsoever.

Have you later found out whether Mr Elliott or G8way International had some share or some interest in the eight per cent management fee?---Yes, I have.

And in what context have you found that out?---This Commission hearing last week.

Not something that you knew about before this Commission started its public inquiry, is that right?---No.

Commissioner, I tender the document on the screen, being a commercial invoice to Wagga RSL Limited, volume 9, pages 66 through to 72.

THE COMMISSIONER: That will be Exhibit 199.

10 **#EXH-199 – GOLDEN SAMPLE CO. LTD INVOICE TO ANDREW (WAGGA RSL CLUB) DATED 4 MAY 2013**

MR ROBERTSON: When's the last time you had any contact with Ms Wang?---Sydney Airport in 2013.

So the one and only occasion on which you met her was during the course of that meeting, is that right?---Correct.

20 So far as you know there's been no attempt by her to make any contact with you since that time?---No.

Be that by telephone, text message et cetera, et cetera?---None at all.

What about Mr Maguire?---My contact with Mr Maguire over the years was fairly sparse and random. Probably three years ago I would have spoken to him. That would have been the last time.

30 And what about Mr Elliott? I take it, given that he's a board member, you have semi-regular communications with him?---I see him monthly. The last time I saw him was the day after the summons was issued, when the president and I sat down with him to discuss ramifications for the club.

And when you say ramifications for the club, what do you mean by that? Dealing with the fact that there may be some public comment regarding matters concerning Wagga RSL?---Yes. Nothing specific was discussed but

40 Did you discuss anything about the investigation itself?---No.

Did you discuss anything about what Mr Elliott might say in terms of his evidence?---No.

Did you discuss anything that you might say in terms of your evidence in the event that you were called to give evidence as a witness?---No. No, I was very aware of that.

That's the examination, Commissioner.

THE COMMISSIONER: Thank you, Mr Robertson. Mr Bell, you said that G8way invoiced Wagga for being introduced to Mr Tse. Do you recall the amount of that invoice?---\$500 plus GST, Commissioner.

Has the club kept a copy of that invoice?---Yes. And I believe we forwarded it to you - - -

10 MR ROBERTSON: I'm just attempting to find it the bundle and I might bring it up so I can formally tender it.

THE COMMISSIONER: Yes,

MR ROBERTSON: Can we have on the screen, please the invoice. Do you see there, Mr Bell, as tax invoice, G8way International, 21 March, 2013? ---Yes.

And do you see there it's in the amount of \$550?---Yes.

20 Is that the invoice that you were referring to before?---It is.

I tender the document on the screen, G8way International, invoice to Wagga RSL Club Limited, 21 March, 2013.

THE COMMISSIONER: That will be Exhibit 200.

**#EXH-200 – INVOICE G8WAY TO WAGGA RSL FOR
CONSULTANT FEES DATED 21 MARCH 2013**

30

MR ROBERTSON: Is that the only invoice, so far as you can recall, that G8way International issued to Wagga RSL Club?---That's the only one I can recall, yes.

Thank you.

THE COMMISSIONER: Thank you, Mr Robertson. Mr Harrowell, did you have any questions?

40

MR HARROWELL: No questions, Commissioner.

THE COMMISSIONER: Mr Heazlewood?

MR HEAZLEWOOD: No, I have no questions, Commissioner. Thank you,

THE COMMISSIONER: Thank you. Mr Robertson, shall I discharge Mr Bell?

MR BROWN: Given there's a little bit of space in the schedule, Commissioner, and to assist with the narrative flow of the inquiry, I will give a mix of summary and reading out parts of the transcript of Mr Tse's evidence, and I'll also take the Commission to a number of exhibits that were tendered during the course of his compulsory examination.

THE COMMISSIONER: Thank you, Mr Brown.

10

MR BROWN: Mr Tse is an Australian citizen who was born in China in 1956 and came to Australia at the age of 18. He lived in Wagga Wagga for a time but moved to Guangzhou China during the period 2003 to 2005. That matter's dealt with at 758-759 of the transcript. After moving to China, he would regularly return to Wagga Wagga, where he still owned property, at least until 2016. He met Daryl Maguire in 1992 or 1993 when he – that is, Mr Tse – first moved to Wagga Wagga. He assisted Mr Maguire in establishing a sister city relationship between Wagga Wagga and Kunming, spelt K-u-n-m-i-n-g, in China. Mr Maguire was not an MP at the
20 time that Mr Tse met him. He was a businessman and had an association with the local chamber of commerce in Wagga Wagga.

Mr Tse described himself as a chef by trade and formerly ran restaurants in Australia, including a number of restaurants in the Wagga Wagga area. Between 2012 and 2017, Mr Tse ran restaurants in Guangzhou, including one restaurant named The Great Barrier Reef restaurant, and a number of Wagga Wagga Café restaurants. That's dealt with at 763 of the transcript.

30 In 2012, he opened his third Wagga Wagga café restaurant in Guangzhou, if we can go to page 1 of the bundle. And see here, Commissioner, an email from Gordon Tse, this is at about point 2, point 3. An email from Daryl Maguire to Gordon Tse on 26 July, 2012, in response to a request from Mr Tse for the then Premier of New South Wales to attend the opening of his third Wagga Wagga Café restaurant. Mr Tse later identified in evidence the 'chinamitre10' email address that you can see there, Commissioner, as being his own. That was at page 791. I'll also direct your attention, Commissioner, to the subject line, "G'day, Gordon. I'm planning to bring two clients to China re: purchasing tiles and kitchens." Mr Tse later
40 indicated that one of the clients could have been Joe Alha, and that's at page 793 of the transcript.

If we can go now to page 8 of the bundle, and I'll tender the entire bundle at a later point in time, Commissioner. In fact, I'll do that now, Commissioner. I'll tender the bundle of documents that were shown to Mr Tse during the course of his compulsory examination on 5 February, 2019.

THE COMMISSIONER: That will be Exhibit 202.

#EXH-202 – GORDON TSE BUNDLE

MR BROWN: Commissioner, you'll see here an email from a Yoko Cai to, amongst others, Rebecca Cartwright and Daryl Maguire, dated 6 August, 2012. Mr Tse indicated in his evidence that Yoko Cai was his assistant at the time, and that's at page 794 of the transcript. The document itself refers to photos being attached, and if we scroll down the photos are contained
10 within the bundle. Those photos, Commissioner, relate to the opening of the Wagga Wagga Café restaurant in Guangzhou, and Mr Tse gave evidence on that topic at pages 797-800. And for those that can't see the photos, it's apparent that, amongst others, Mr Maguire was present on the date, as well as the then Premier of New South Wales, Mr Barry O'Farrell. Mr Tse himself is on the extreme right-hand side as you look at the photo.

THE COMMISSIONER: Thank you.

MR BROWN: At page 761, Mr Tse was asked whether he had interests in
20 businesses in China and he indicated that he had a, "Company called Golden Sample from Hong Kong, registered in Hong Kong." He described it as a POP, or point of purchase, business which, "Orders promotional items for customers like banners, umbrellas, signage and that it also does exporting to Australia but we don't deal direct with the customer, we only selling to the agent and they sell to their customer."

He was asked at page 764 whether he effectively ran Golden Sample, he was in charge of it, and he agreed that he was. At page 766 he was asked, "And what's the nature of your relationship with Mr Maguire?" He
30 answered, "When he comes to China, he always comes to visit us, and every now and then he asks to I think buy some bits and pieces like solar light and remembers some small machinery. So my staff just taking of that, take care of it. But the solar thing, because normally they go to some South Pacific island, so normally I pay for it and just donate to all the hospital or school, probably two or three times I can remember."

He was asked whether he would describe Mr Maguire as a friend and he agreed that he would. When he was asked at that time, this is at page 767, "What about a business relationship, would you describe it as a business
40 relationship?" He answered, "Business, no. Not at all, not very much." Mr Tse indicated that he would often meet with Mr Maguire when he returned to Australia and would have gone to see him half a dozen times, maybe, at Parliament House. He was then asked, "Were those visits related to business matters at all?" He answered, "Oh, not in any particular business conversation, you know, but probably, I mean, one time when we tried to organise a trip to South Pacific islands and, yeah, we had more contact then." He was asked what the trip was for. He answered, "We have a friend in Shenzhen to start up organisation called Shenzhen Asia Pacific

Forum,” which I understand is another variant on the Shenzhen Asia Pacific Commercial Development Association, Commissioner. “And we tried to helping some Chinese businessmen to do some tourism business in South Pacific, South Pacific island, and also help, you know, the islanders, to help them to send people to do some education in China. That’s the idea and when the organisation start up and then we did one trip to visit a few island country.” He was asked who “we” was and he answered, “Mr Li and myself, and then we only have a few ladies involved but they never come for the trip. Only Mr Li and I come from China.”

10

At page 769, he indicated that the group held at least one meeting in Sydney, which was held at Parliament House and that meeting was organised by Mr Maguire. Of that meeting he was asked who was present. He indicated who was there, “Yeah, me. I think he’s doing introduction too for us to meet with, there was consul generals from different countries.” He was asked to clarify, “So when you say – you mean Mr Maguire was there to make an introduction to consuls general?” And he answered, “Yes.” he was asked, “Was he otherwise involved in the group? Did he ever have any other role in the group apart from just making this introduction?” Mr Tse answered, “I mean, he is not in the organisation but he, we need his help to introduce, you know, to what is it called, those authority from another country.” He was asked, “And this was because you didn’t know those people that Mr Maguire did, so you needed Mr Maguire to make those introductions because he knew those people, is that right?” Answer, “Yeah, to give us the contact, especially with the chamber of commerce.” Question, “Because you didn’t have those contacts otherwise?” Answer, “Yeah, sure.”

20

He was asked at page 780 whether he had heard of G8way International and he answered, “Yes.” When asked, “When did you hear of it?” He answered, “I might be a member of it, I am not quite sure.” At page 783, he was asked whether he or his company had ever made any payments to Phillip Elliott he answered, “I think he did to Phillip. I think he did introduce some customer to Golden Sample and then would have given some small commission.” It was asked, at page 786, how many payments were made to Phillip Elliott. He answered, “A few time, maybe not, not more than five times for all these years.” He was asked, “But your memory is, over all these years that you’ve known Phillip, you’ve paid him four or five commission payments, is that correct?” Answer, “Yeah, sometimes he’d send people over to us, to helping them, and if they didn’t buy a large amount of products, then he probably didn’t, we probably didn’t worry about it. If they, like, if their invoice was more than 10,000 Australian and we probably, like, two and a half or three per cent commission based on the invoices.” He was asked some clarifying questions and indicated that Phillip Elliott would introduce buyers to his company, Golden Sample, who would then assist those buyers to source wholesale products in China and then pack and send them on. The buyers included “a guy called Tony”, who may have bought some chairs; a netball club, who bought some uniforms;

40

and the Wagga Wagga RSL Club, which bought furniture, cutlery and crockery, which ties in with the evidence that we've heard this morning, Commissioner.

If we can go to page 13 of Exhibit 202. And I should also indicate, Commissioner, that much of what I've summarised so far took place at a point prior to Mr Tse being taken to various documents. On the screen now is an email from Daryl Maguire to a string of numbers, email address, CC'ing the chinamitre email address, which was Mr Tse's. In his evidence,
10 Mr Tse indicated that Kent, who is referred to in this document - - -

THE COMMISSIONER: Is that presumably to whomever the email is directly directed, with this string of numbers?

MR BROWN: That's correct, Commissioner. Kent was the target, although it's not apparent from the email address itself.

THE COMMISSIONER: Do we have Kent's full name?

20 MR BROWN: We do not. Kent was a wine producer in Zhuhai, and this is at page 801 of the transcript, and Kent was at the opening of the Wagga Wagga Café, and I think he's pictured in one of the earlier photos that we've seen. Mr Tse and Kent later travelled to Australia and visited a winery with Mr Maguire in the Griffith area, and this is referred to at 804 to 805. Mr Tse agreed that the purpose of the trip was to source a potential wine export contract for Kent.

We can go to page 14 now, thank you. This is an email from William
30 Luong to Daryl Maguire on 9 September, 2012, and Gordon Tse is copied into the email. The subject is "Cotton". Mr Tse was asked about this email at page 806 of the transcript, and agreed that he introduced William Luong to Daryl Maguire as per this email.

If we go to page 15. Commissioner, this is an email from Daryl Maguire to Gordon Tse on 11 September, 2012. I'll read it out. "G'day, Gordon. I know you're going to Fiji soon. I think Humphrey is going also. I've asked the Consul General of Fiji to prepay a brief," I think it's supposed to be "prepare", "a brief of opportunities. This has not been sent to anyone else. Have a close look at the correspondence and identify the opportunities."
40 And if we scroll through the subsequent pages of the document, Commissioner, there are a large list of opportunities documented there, that include tourism, manufacturing, mineral resource opportunities, and the like. Mr Tse was asked about this document at page 806. It was suggested to him, "He's interested to discuss and pursue with or through you while you're in Fiji projects and investment opportunities, isn't he? That's what he's saying." Mr Tse agreed, "Yeah, that's, that's what he's saying." It was later put to Mr Tse that, "The whole idea of going to Fiji to pursue projects and investment opportunities was for a commercial reason, wasn't it,

obviously?” Answer, “Yeah. You could say that,” and that’s at page 819 of the transcript.

And just to fix this in time, Commissioner, this is back in 2012. Mr Tse was going on a trip to the Pacific Islands, and pursuing commercial opportunities. This is well before the time of the Shenzhen Asia Pacific Commercial Development Association.

10 THE COMMISSIONER: Yes, was Mr Maguire head of the Australian Pacific Friendship Group at that stage, though?

MR BROWN: He would have been, yes, Commissioner. It was in 2011 he was chair. If we go to page 47, please. This is an email from Daryl Maguire to Gordon Tse and another email address for Kent. You can see that Ms Hatton is copied into the email. It’s dated 15 October, 2012. The subject is, “G’day, Kent. A quick note to thank you for your hospitality, arrived home safe and well,” and I’ll just read the early lines of the email, remembering this is from Daryl Maguire, “It was great to meet you again in Zhuhai last week.” Zhuhai spelt Z-h-u-h-a-i. “Thank you for your kind
20 hospitality and the opportunity to see your city and meet your delightful wife. To clarify our discussions in China, your company wish to acquire up to 30 Australian wines, 85 per cent red, 15 per cent white, for tasting and sales at two cartons per wine sample. How many times per year do you require this?” And at about point 6 – oh, it’s changed. At about point 7 of the email, Commissioner, you’ll see the line, “Our company will receive an administration fee of 10 per cent of total invoice plus GST for such service.” Mr Tse agreed that, contrary to his earlier indication that there was not much of a business relationship between he and Maguire, this was an
30 example of them having done some business together, and agreed at that point – and this is at page 824 of the transcript – that he and Mr Maguire had a business relationship. And at about now point 7, there’s also indication of potential further opportunities. “Our company will arrange further purchases with different wineries on your behalf with Chinese back labels. Same arrangements will apply with costs and invoicing, et cetera. However, the administration fee will reduce for purchases of over one container to eight per cent and five per cent depending on container quantities. Further reductions may apply.”

40 If we go now to page 61 of the bundle, Exhibit 202. Commissioner, this is an email from Yoko Cai to Daryl Maguire dated 13 March, 2013, and it relates to a G8way International article appearing in a magazine, being the Horizons Magazine, which Mr Tse indicated that his company ran and organised. And if we scroll down over a number of following pages, the article itself is included, headed Connecting the Asia Pacific. It describes who G8way International is, what services they provide and introduces the G8way Club in similar terms to what we have seen on the G8way International website at the time. Although, it doesn’t seem to make any

reference to access to high levels of government in contrast to what was on the website.

If we keep scrolling down, this is on the second page of the article. It can be seen that there's a number of contacts for G8way International, the Australian contact is a PO Box. The Beijing contact, this is about point 7, is Du Wei and at about point 9, the Guangzhou contact is Gordon Tse. Mr Tse was asked questions about this document at pages 827 to 828. "Do you agree with me that you knew as at 2013 you were a representative of the G8way International organisation in China?" Answer, "Yes." "And you knew that Mr Maguire was involved in that organisation as well?" Answer, "Yeah." "You knew he was involved in it because he was contacting your staff to get material published about that organisation?" "Ah hmm." "Mr Maguire had an involvement in the company itself, G8way International, he was making representations on behalf of the company to your company when he sought advertising. You can see that?" Answer, "Ah hmm. G8way International to form the, to help businessmen to do business in China and they need both sides of the market." Question, "And was Mr Maguire one of those people who was helping out?" Answer, "Yes." Question, "And so was his role to connect people through the G8way organisation for the purposes of business?" Answer, "Yes." "And your role was as a representative in China to help people do business in China?" Answer, "Yes." "And the purpose of the organisation was for profit?" Answer, "Yes." "And was it profit for yourself, were you going to make money out of contacts that were made through this organisation?" Answer, "We suppose, I am supposed to be just one of the member but they probably need me as the contact, you know, in China." Question, "But if people came through this - -" Answer, "But they never, no one ever tell me where the profit come from or how we share it." Question, "You never had any understanding how profit would be shared in this organisation?" Answer, "We never had any discussion about how we make money from this thing. We sure we could do some business if those keep going." Question, "So the intention was always to do some business through the organisation?" Answer, "Ah hmm."

Go down to page 119 of Exhibit 202. This is an email from Mr Maguire to Gordon Tse on 24 December, 2013. "G'day Gordon, Happy Xmas. Will you be in Wagga? Got another good customer for us. Regards, Daryl." Mr Tse was asked questions about this document at page 838. He was asked, "You were also business associates together, weren't you, at this time?" Answer, "Yeah." Question, "Right. As you said it was friendship and business that brought the two of you together and that you continued to pursue, correct?" Answer, "Yeah." So then he accepted that they were engaged in business together in December of 2013 and we looking to pursue further business opportunities together into the future.

If we go to page 161. These are the meeting minutes that are already Exhibit 122 in this inquiry, Commissioner. This is both the Mandarin

version and the English translation is also attached. Mr Tse was asked questions about this document at pages 840 to 841 of the transcript. Question, "Did you know that Mr Maguire was the honorary chairman of this organisation?" Answer, "Honorary chairman, yeah." "You knew?" Answer, "I can remember." "What did that title mean?" Answer, "Mr Maguire helping to contact all the consul general and chamber of commerce organisation and be, try to dealing with us, and we thought we would have his name in the organisation look more official." Question, "To make it appear as though he had some ability to represent the organisation, is that right?" Answer, "Yep." Question, "And was he in fact part of the organisation, Mr Maguire?" Answer, "Yeah, he did help a lot with the contacting people, you know, supplying all the information."

THE COMMISSIONER: So this is SAPCDA?

MR BROWN: This is in relation to SAPCDA. So the minutes that I just took you to, Commissioner, were the meeting minutes from the SAPCDA meeting in July of 2016. Thank you. So, further, at page 842, "But really, substantively, this document suggests to us that the primary purpose of the organisation was business purposes?" Answer, "Yep." And that is the SAPCDA organisation in context. Question, "Mr Li wanted to use the organisation to make money out of projects in the South Pacific region, is that correct?" Answer, "Make money, yeah, business, yeah." Question, "It was for business, is that right?" Answer, "Mmm." Question, "And you were there for business as well?" Answer, "I'm part of the group." Question, "You're part of the group which was there for business, is that right?" Answer, "Mmm." Question, "Sorry, is that correct? Could you answer that on the record? You were part of the group that was there for business, is that right?" Answer, "Yeah."

And then at page 844, Commissioner. Question, "So although this meeting was held in Parliament House, it was really a private meeting of this association, called an association or organisation, that Mr Daryl Maguire was establishing. Is that right?" Answer, "Yep."

THE COMMISSIONER: So that was a meeting in Macquarie Street, was it?

MR BROWN: Yes, that's the case, Commissioner. If we can go to page 170 of Exhibit 202. Commissioner, this is an email from Adriana Lions, who is one of Mr Maguire's electoral officers in his Wagga Wagga office. Or was. To Gordon Tse, Maggie Wang and you can see that Daryl Maguire's carbon-copied to that. It reads, "Good afternoon. Please find attached itinerary for the island trip, 7 to 16 April, 2017." And attached to that email is the itinerary itself, if we scroll down. The itinerary includes trips to Vanuatu, Fiji, Tonga and, on the last page, arrives in Samoa on 15 April, 2017, departing on 16 April. Mr Tse was asked questions about this email at page 846 and indicated there were four people on the trip. He,

Daryl Maguire, Mr Li – which is Ho Yuen Li or Li – and Maggie Wang, and he agreed that this was a Shenzhen Asia Pacific Commercial Development Association trip.

If we can go now to page 178, and this is an email, Commissioner, from Hobart Va'ai, spelt V-a, hyphen, a-i, surname, to the perigee7@gmail.com address, which is Maggie Wang's, Mr Tse's address, and Daryl Maguire. It reads, "Hello Mr Li and members of the SCPACT delegation, thank you again for visiting the Samoan Chamber of Commerce and our country. As requested, please find attached the information you requested in regards to 1, tax charges in Samoa, 2, the casino licence." Mr Tse was asked questions about this document at page 847-848. Question, "So Mr Va'ai has sent you information about the tax charges and the casino, what was the purpose of that information?" Answer, "The casino licence, yeah, I remember some conversation in a meeting, they tried to develop a coast, a waterfront, sorry, a waterfront development in Samoa, and they were looking for a large funding or big company to do the development, and they, whoever have the funding, they were possibly can apply for casino licence in that development." He was asked, "And who wanted the information about the casino licence?" Answer, "Oh, Mr Li." Question, "And so, he was looking for a business opportunity in Samoa at the time?" Answer, "Yeah."

THE COMMISSIONER: Is that, in the second-last paragraph, CCIC, is that Mr Li's organisation, do we know?

MR BROWN: I can't assist with you that at this time, Commissioner. I'm told it's the Chinese Agricultural Inspection Service, which doesn't seem to match up with the acronym, but - - -

THE COMMISSIONER: Or interest in a casino.

MR BROWN: Yes.

THE COMMISSIONER: Yes, thank you, Mr Brown.

MR BROWN: And if we can finally go to page 849 of the bundle, this was a summary document prepared by Commission officers in relation to a series of transactions between the G8way International business account and Golden Sample. Mr Tse was taken to this summary document and indicated that these transactions were what he had earlier referred to as "Phillip's commissions," being Phillip Elliott's commissions, and he indicated that he did not appreciate that the funds were being paid to G8way International, as opposed to Phil Elliott directly, and that's at page 850 of the transcript.

And so it can be seen that in the right-hand column, there's a total of \$27,161 and some change that was paid from Golden Sample to G8way International, and a total of \$12,955 paid from Gordon Tse to G8way International's account.

THE COMMISSIONER: So all of those moneys found their way to G8way's accounts, did they?

MR BROWN: That's the case, Commissioner.

THE COMMISSIONER: Thank you.

10 MR BROWN: And so this is between 23 December, 2013, and 28 December, 2017.

THE COMMISSIONER: Thank you.

MR BROWN: And that's the summary of Mr Tse's evidence, Commissioner.

THE COMMISSIONER: Very well. Thank you. Thank you, Mr Brown.

20 MR ROBERTSON: I propose to call the next witness if that's convenient.

THE COMMISSIONER: Yes.

MR ROBERTSON: I call Gerard Charles McCormick.

THE COMMISSIONER: Mr McCormick, please come forward. You can stand in the witness box, please. Do you wish to take an oath or make an affirmation?

MR McCORMICK: Affirmation, please.

THE COMMISSIONER: Please be seated.---Thank you.

Mr McCormick, have you arranged any legal representation?---No.

Very well. I'm going to explain one matter to you, which is a protection afforded to you - - -?---Thank you.

10

- - - under the Independent Commission Against Corruption Act in relation to your evidence, so could you listen very carefully to the explanation I'm about to give you?---Sure. Thank you.

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

20

The first exception is that this protection does not prevent your evidence from being used against you in a prosecution for an offence under the Independent Commission Against Corruption Act, including an offence of giving false or misleading evidence, for which the penalty can be imprisonment for up to five years. The second exception only applies to New South Wales public officials, and I don't understand you to fall into that category. I can make a declaration that all the answers given by you
30 and all the items produced by you will be regarded as having been given or produced on objection. This means you don't have to object to each answer or to the production of each item. Do you wish me to make such a declaration?---What do you suggest?

30

All other witnesses have, Mr McCormick.---Okay.

Very well.---I'll take your guidance.

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
40 inquiry are to be regarded as having been given or produced on objection, and there is no need for him to make objection in respect of any particular answer given or document or thing produced.

40

PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT

ALL ANSWERS GIVEN BY THIS WITNESS AND ALL DOCUMENTS AND THINGS PRODUCED BY HIM DURING THE COURSE OF HIS EVIDENCE AT THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION, AND THERE IS NO NEED FOR HIM TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.

10 THE COMMISSIONER: Yes, Mr Robertson.

MR ROBERTSON: Can you state your full name, please, sir.---Gerard Charles McCormick.

You're also known by the name of Gerry, is that right?---Yes, that's better.

You're a director of Nasvin, N-a-s-v-i-n, Pty Ltd?---Nashvin, yes.

And that trades as Cottontail Wines, is that right?---Correct.

20

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

How have you come to know Mr Maguire?---Well, I was invited to attend a fundraising or the launch of a charity thing that's run through Wagga, called the Golden Crow Awards at one of the hotels.

THE COMMISSIONER: Called what?---Golden Crow Awards.

30 Thank you.---And I attended that with Julian McLaren, who was the president of the Business Council, the Wagga Wagga Business Chamber. He invited me to come along. And Daryl was at that meeting or at that gathering. I, I'd known him, obviously, because he's the member of parliament, but I had never met him, and that was in 2012, I think. It was around that time. I also met Maggie Wang. In actual fact, I met Maggie before I met Daryl, and she was interested in what I'd done and this and that, and so forth, so, yeah, I just explained to her. But, so it was around about that 2012 period that I'd met both of them, actually.

40 MR ROBERTSON: So what circumstances did you come to meet Ms Maggie Wang?---Oh, I think, I think Jules introduced me. He was just, you know, being polite. We were friends, you know, and - - -

THE COMMISSIONER: Is that Mr McLaren?---Yeah, Julian, sorry.

Yes.---Yeah, and he just introduced me and I thought that she worked for the New South Wales Government as an interpreter. That was the opinion, ah, the impression I got. And I got to know her over the next, oh, 12 months or so and just the functions and various things. I had called her to see Daryl

a bit later because my son suffered from, or still suffers from mental health issues, and he was only 14, and he'd been in hospital for eight years, in and out. He'd been to his mother's place and this and that. And I'd purchased a unit in Wagga Wagga, in central. My son, Jacob, had been in health care in Derby Park, in the unit, and he, he just couldn't survive. He had, he have bipolar, severe.

There's some water there, Mr McCormick. There are also some tissues.
---Thank you.

10

And there should be hopefully a glass.---Yeah. So - - -

And can I also suggest while you're having a drink of water that, remember, Mr Robertson is going to ask you the questions. So it's probably best to listen to the question he asks you and answer those in the course of your examination.---I'm sorry. Sorry, yeah.

MR ROBERTSON: You don't need to apologise at all.

20

THE WITNESS: So yeah, he, he, he'd been having difficulty because people were taking advantage of him, stealing his phone and various things. So I put him in this unit and he was there for 12 months but he was hearing the voices and it was quite a - anyhow. Long story short, I went and saw Daryl because I couldn't get any help from the hospital, well, you know, I mean, they tried their best but there was nothing concrete coming about getting him into supervised accommodation in Sydney, because I had heard that that was available. And after about two months, Daryl done it, he got him up, spoke to the minister and that's how I sort of, how the relationship developed. You know, I, and I was full of gratitude obviously.

30

MR ROBERTSON: And in relation to Ms Wang, did Ms Wang ever provide you with any assistance in relation to what might be called migration matters or immigration matters?---Yeah. Well, I've been attending China since 2004. I'd being going to Harbin, Beijing, Shanghai and so forth to try and sell my wine and, you know, to, for trade shows, international trade shows and I wasn't having any luck. You know, I, I'd spent a lot of time and effort and I'd had interaction with New South Wales Government Export Department and, you know, New South Wales business and Australia and everything and Maggie was sort of talking to me about,
40 "Why don't you get someone over in China because they've got this," what they call guanxi, that's g-u-a-n-g-x-i [sic], it's a relationship that you develop and that's how they do business and I was like, pushing it up hill to, as an, as an Aussie to, to really get anywhere. And I reckon it was probably after about 12 months, I said, "Well, what do you suggest?" She said, "I'll. I'll suss something out for you." So she came back to - - -

Are you talking about Ms Wang now?---Yes, sorry, Ms Wang. So she came back to me and said, "Look, I've gotten onto someone from Yantai," which

is a fairly famous wine-growing region in China, “who have a daughter in Sydney who is doing accounting or finance. or something. She’s got a Diploma in Hotel Management, she’s got finance degrees,” and this and that, “and we can use her to develop through her parents,” who are, I think they are industrial chemists in the agricultural field, doing feed for cattle and still like that. They’ve got lots of contacts and they’re fairly wealthy. And I said, “Oh, righto. Bring her up and we’ll have a chat.” Because I was at me wits’ end what to do, you know, really. So Ms Li come up, her surname was L-i, Jingyi Li.

10

She is also I think known by the name of Daisy, is that right?---Yeah, that’s correct. Yep. She came up and, yeah, she, she was approachable. She had a little CV, she didn’t have any wine experience but the whole idea of it was that the parents would be doing most of the work with the lead-ins and then I would go over there, you know? So I said to her, “Righto. Let’s see how we go,” and she then brought her mother up in December of, I think it was around 2013. So this would have been October or maybe September or something and then her mother came up with her in around December 2013 and they visited the winery and spent a couple of days and I showed them the unit, because Jacob had destroyed it. It cost me 10 grand to fix it, like the paint and all that sort of thing, he had belted the walls and it was just because of his condition.

20

THE COMMISSIONER: Just take your time, Mr McCormick.

THE WITNESS: So, I showed her the unit, two-bedroom unit in a little compound in central Wagga, quite safe, and they seemed pleased. She was going to get a licence. I don’t think she had a licence.

30

THE COMMISSIONER: What sort of licence?---Driver’s licence, sorry. And yeah, everything’s hunky-dory. And I said to Maggie, I said, “One of the conditions is that I want an order, before I do anything, I want an order.” Well, lo and behold, two weeks later, I got an order for 52,000, or just under. I went, “What?”

40

Dollars or bottles?---Dollars. Sorry. \$52,000. I thought, how long has this been going on? You know. And so yeah, they invited me to attend in Yantai, so I flew across to Yantai in February. The order had been delivered on the ship, gone a week or so before I’d gone. I spent four or five days over there. I took some samples and they, they really looked after me, like hosted me. Lovely, lovely people. The husband couldn’t speak English that well, but - - -

So these were Daisy’s parents, you mean?---Yeah, sorry. I’m assuming you know what I’m thinking.

Well, I don’t actually, but neither does the transcript.---I know. Sorry, I was trying to be humorous. I’m not real good. So anyhow, the, I had, oh, at

least four or five wine tastings, and I went and saw the wine merchant, because they didn't have a licence, they weren't importers. Star, Star Wine company or something. But I had purchased it on their behalf, and we done tastings with some people, like, you know, it was a fairly hectic four days. And I went to a couple of these, these big wine display areas. There's a huge one right in the centre of Yantai. It's, it's, and it does also things like spirits and, you know, it, it's a tourist attraction. They introduced me to a couple of other wineries, like people that had grapes.

10 MR ROBERTSON: So when you say they, you're referring to - - -?
---Sorry, the couple.

- - - Daisy's parents?---To Daisy's parents. Yeah, and Daisy was there. She was, she attended also. And it looked fairly promising, you know? We actually, I had me laptop and we translated a lot of my material into Chinese, you know, because it was all in English, so that they could use it. And I was of the opinion that Daisy's mum would do a lot of the work, you know. So anyhow, I went back, and the application went through for her to get her, to be an employee, and that was in April, I think. And then they
20 turned up again. Like, I'm saying, where are they, you know, what's happening?

So I'll just stop - - -?---Sorry.

I'll just stop you there, because I want to ask you a few questions about what you've explained to us so far.---Okay.

30 So in terms of the initial contact in relation to the migration matter more generally, you're saying it was Ms Wang's idea, is that right?---Yes.

Do you know whether Mr Maguire had any involvement in that initial contact with you?---There was no connection that I knew of.

So it's possible, I suppose, in the background that Mr Maguire was suggesting to Ms Wang, "Go and speak to Gerry," but that's not something that you had a direct contact with?---No, well, I had met Maggie before I met Daryl. So I didn't connect it the other way, you know, I'd thought I was just dealing with Maggie, Maggie as a friend, you know, and she - - -

40 So did she make contact with you out of the blue or was there some function where you spoke to her about these matters?---Oh, yeah, it would have been just as part of our conversation. You know, what are you doing, how're you going, and how's it all going in China and that. Because I was going over there a couple of times a year. Like, I'd been over there 20-odd times.

And so you in effect explained to her, "Look, I'm trying to sell my wine in China, I'm having troubles."---Yeah. Yep.

“I keep hitting dead ends.”---That’s right.

And Ms Wang is presenting to you a possibility as to how you might be in a position to open a few more doors in China. Is that the idea?---Yeah, and this is the way, this is the plan of action, and I was saying, righto, let’s have a go at it, you know.

10 So is the basic plan of action that you might be able to assist a particular individual, in this case Daisy, in terms of getting a visa in Australia, and in exchange that she, and perhaps her family, might be able to assist you in opening some doors at the Chinese end?---Correct. That’s exactly, that’s exactly it, sir.

20 Did you have a discussion with Ms Wang as how that would work mechanically? As in, what your obligations would be, what her obligations would be, et cetera?---Well, she, as it turned out, I thought that she was, she had an immigration agency or something. As it, like, I sort of developed this after getting to know her, that she runs some business in Sydney, and I thought that she knew all the answers, because there are so many different visas. Like there’s 186, 187, 497, and all this sort of stuff, and it wasn’t my focus. I had problems with my son, and I was trying to fix that up, and I guess I was distracted, because I also have a financial planning business, and then I was running the winery and – you know, there were a number of issues. So I didn’t really, I didn’t delve into it deep enough, to be honest with you.

Can you remember the particular visa that Ms Wang was presenting as a possibility to help out Daisy?---Something to do with the region.

30 Could it be the Regional Sponsored Migration Scheme visa? Does that ring a bell?---Sounds familiar.

One of the numbers you threw out a minute ago was 187. Does that number ring a bell?---Yeah. Might have been 186. Would that be similar?

There’s also a 186 visa called an Employer Nomination Scheme visa.---Oh, sorry.

40 But I can assist you by indicating the particular visa that Daisy got was a 187 visa.---All right, sorry.

A Regional Sponsored Migration Scheme visa.---I wasn’t familiar with that, but that’s it.

Did Ms Wang or anyone else explain to you what the requirements were for such a visa?---No. No, well, when, so I thought Daisy was coming to my unit in town and that she, she’d have a licence. We’re 20 minutes out of

town, so that, those, we'd cover off and I'd teach her, and then we'd go to Yantai, 'cause I'd already been there. Like, you know.

So it was at least your understanding that if you got yourself involved in the paperwork and a visa was ultimately issued, Daisy would come and be physically present in the unit or somewhere nearby?---Exactly. That was the, that was the position.

And that didn't in fact happen, did it?---No.

10

She turned up maybe three or four times, somebody like that, but she wasn't physically situated anywhere near your business, is that right?---Yeah. She was in Eastwood.

Did Ms Wang explain to you that one of the requirements of the 187 visa, the Regional Sponsored Migration Scheme visa, was that the position had to be located in regional Australia?---No.

20

Did she explain to you that one of the requirements was a genuine need for the nominator to employ a paid employee to work in the position under the nominator's direct control? Did she explain that to you?---No, I didn't really get, I didn't delve into it. It's my fault, I guess. I didn't, I didn't really sign off on it.

Well, at the moment I want to understand what Ms Wang explained to you and what she didn't explain to you.---Sorry. Oh, very little.

30

Did she explain to you that one of the requirements was for the employee to be employed on a full-time basis on at least two years?---Yeah, yeah, she did say that, but she said - - -

For two years?---For two years. But she said that she was getting her visa and it would probably take about less than 12 months, and then if I didn't want her, like, I didn't want to continue, then that'd be it.

40

So just explain that again, please.---Okay, she said, it's a two-year thing we're signing for, but she's a student, she's on a student visa or something like that, and that if she gets that visa, like a residency, then that'll, if you don't, if it's not successful, then you don't have to continue after that period.

After what period?---Well, the granting of her residency visa, I guess it must have been. I don't know if it's residence.

So are you saying that Ms Wang made it clear to you that you wouldn't have an obligation. Once the visa was granted, you wouldn't have an obligation to continue to employ her on a full-time basis if you didn't want to. Is that what you're saying?---Yeah, that was my understanding.

And then in terms of the money flow, if I can call it that way, what did Ms Wang explain to you as to your obligations in terms of paying this individual or any incentives that you might get, anything of that kind?
---Yeah, she offered me money and I said, "Maggie, get me the orders."
That's what, I'm not in the game of making money out of immigration. It's not my, not my business, all right? Oh, it's cash, and I said I'm not interested. I said I can get cash out of this restaurant if I want to, and that's enough, you know, temptation. I, I don't go down that track. Everything goes through the books. And then 52,000, 'cause on the thing it said that I had to pay her 54. I thought, well, I've already covered 12 months' wages. You know.

So she offered you some money, correct?---Yeah, she offered me money, which I knocked back.

How much money did she offer you?---Oh, I've seen the things where they mention 30 grand. I'd say it'd be similar.

20 So, but you've got a clear recollection in your mind that there was an offer of cash money, correct?---Yes, there was.

And it might have been around \$30,000 but you can't immediately recall, is that right?---No, I, I didn't focus on it.

Because ultimately you knocked back the cash because what you were really interested in is the prize in China.---Exactly.

30 In other words, to be able to sell your wine to China.---And I'd already got 52,000, it'd been from - - -

And Daisy or perhaps her family may be able to assist in that enterprise.
---Yes, I'm sorry.

What about in terms of wages and the like? What did Ms Wang explain was your obligation in relation to payment of wages to Daisy?---Had to be paid, and super. And when she didn't turn off, I went off the brain. In actual fact, they came up to see me and said, look, the position here is that - - -

40 We'll come back to - - -?---Oh, sorry. Okay.

- - - what ultimately happened. I just want to understand what the arrangement was as Ms Wang was explaining it to you and as you understood it. As you understood it you had to pay Daisy her wages, is that right?---Yes.

Would there be any incentive, refund, et cetera, in relation to those wages?
---Yeah. She would advance the money to me.

So who would advance the money?---Maggie. Oh, well it must, must have come from her family.

THE COMMISSIONER: And did I understand you to say a moment ago that the wages, at least you were required to pay per annum, were \$54,000. Is that - - -?---Yes.

10 MR ROBERTSON: And who came up with that figure?---Dunno. I guess it must have been something to do with the level of employment.

But was it you that decided that \$54,000 would be a fair enough fee for this notional placement?---No, no.

No?---No.

20 So do we take it then it was something that came from the Maggie Wang end rather than coming from your - - -?---Yeah. Maggie handled all the paperwork. I didn't see any of it. I signed it but I didn't see any. Like, I - - -

So in terms of the paperwork that had to go to the Immigration Department, are you saying that all of that paperwork was drafted at the Maggie Wang end?---Yes.

And were you asked to comment on that paperwork and provide input and the like or was that left in Ms Wang's hands?---No, Maggie handled it. Yeah, I didn't, in actual fact I didn't look deeply enough.

30 When you say you didn't look deeply enough, what do you mean by that? It sounds like, on reflection, you wish you'd looked at some of this paperwork in a little bit closer detail, is that what you mean?---Well, she said she didn't have to come and I'm thinking, "How in the hell," you know? She said that part of this agreement, part of this migration things, she doesn't have to be onsite and then I was like, I was going to explain to you why but I'll leave it to you to - - -

40 Well, when did Ms Wang explain to you that this person, I think to use your words, didn't have to turn up?---After they came up to see me and said, "She's not coming."

So just to try and get the timing here - - -?---That would have been about May.

In advance of the visa being granted, anything of that kind, by the sounds of it, Ms Wang had offered you some cash, which you knocked back, you weren't interested in the cash, you were interested in Chinese sales, in effect?---Exactly.

Ms Wang indicated that you would be required to pay wages through the books, is that right?---Yes.

And there was a \$54,000 per annum fee that was identified for that purpose, is that right?---Yep.

But were you saying that Ms Wang indicated that she would be advancing a payment in relation to those wages, is that what you're saying?---Yes.

10

And was that to be paid in advance or was it to be paid in arrears or what was your understanding as to that position?---I don't know. I'm sorry, I - - -

Was there some time limit in relation to that, if you employed this person for a year, would be reimbursed in a year?---Regular payments, yeah, that would be - - -

20

But was there some end point? With that reimbursement or that advance, would that continue for one month, two months, three months, six months, 12 months? Or was it indicated to you that you would be reimbursed for the first, call it, six months and after that you're on your own? Can you remember?---No, I'm sorry.

Your focus, I take it, was not so much on actually employing this individual, your focus was on using this individual in order to access a potential market in China, is that right?---That's correct.

30

THE COMMISSIONER: What year was this, Mr McCormick?---2014. I think it commenced in April 2014, then they visited me within a month after that because I'm, "Where is she, where is she?" You know? And then they come up, the mother would come up again with Maggie and - - -

MR ROBERTSON: And in terms of your discussions with Ms Wang, was that in 2014 or was that earlier than that, when you were trying to set this up?---It started in 2012 when I first met her and it progressed through to 2013 to when I agreed.

40

So are you saying that Ms Wang raised this immigration matter as a possibility way back in 2012?---Yes. Oh, well, soon after I met her.

And but the main legwork and the main negotiation, as it were, was in 2013 and ended in 2014?---Yes, yes.

Do you recall whether around that point in time you had any discussions with Mr Maguire regarding this matter of immigration?---No, never. I never, I never had a connection.

In terms of what Ms Wang explained or didn't explained or didn't explain as to the requirements of the visa, the 187 visa we've been discussing, did she tell you that one of the requirements of that visa was that the relevant position could not be filled by an Australian resident or, sorry, an Australian citizen or an Australian permanent resident?---She may have but, see, I was more thinking that the work would be done over in China and she was going to, to work with her family in China. So it wouldn't have been any good for an Australian citizen.

10 But I thought you were saying, as you understood it, this particular Chinese national would come to live somewhere in the Riverina area.---Yeah, but do the work in China because that's where we're going. We're going to be travelling to China, to her family's home.

But in terms of where this employee was going to be physically situated. ---Yeah, Wagga Wagga.

Was your understanding that they were going to be in, if not Wagga Wagga, then somewhere in the Riverina area?---Yes.

20

As opposed to, for example, being physically situated in China - - -?---Yes.

- - - and doing work in China or doing work in Sydney for your benefit, whatever.---Yes.

And so did Ms Wang, in that context, explain that in order to get a visa for that purpose, in order to get the 187 visa, it was necessary to demonstrate that the position could not be filled by an Australian citizen or permanent resident?---No, I don't recall that.

30

Can we go, please, to volume 23. And I'm going to show you a few text messages with a view to trying to identify some time periods - - -?---Sure.

- - - around some of the things that have been discussed. We'll go to volume 23, page 144. And what I'm going to show you is some text messages that have been taken from Ms Wang's phone, including certain text messages that you sent to her or that she sent to you. Can I ask you to have a look at item number 200. Can you see that there's a mobile phone number on the second-last column that ends with a number 7?---That's my number.

40

Do you see there, so this is the 22nd of May, 2013. Ms Wang seemed to be saying, "It was great to talk to you, Gerry. My email address is," et cetera. Do you see that there?---Yes.

So is it consistent with your recollection that it was around May of 2013 that you started the discussions with Ms Wang about this potential involvement

in an immigration matter?---Yes. Would have been that. Would have been, sounds familiar.

But if you then go down to number 204. We'll just scan down a little bit further. There's another one from Ms Wang. It says, "I've spoken to Daryl this morning. I totally understand your position." Do you see that there?
---Yep.

10 "Just wondering how you go with accountant." So it looks like there may have been some discussion with Mr Maguire, assuming that's the reference to Daryl, perhaps a discussion that you had with Mr Maguire that was then communicated to Ms Wang. Does that ring any bells - - -?---No, sorry.

- - - in about May of 2013.---I'm sorry, I, I don't know what that - - -

20 Well, in or about May of 2013, how common was it for you to be in communications with Mr Maguire?---Oh, we weren't best of friends or anything. I mean, I, Julian had arranged to attend in Shenyang, a trip to China, and he invited me to come. And it was a business trip. I paid for all my accommodation and fares and everything. And that's where I met Daryl. Well, when I say when I met him, I, I met him previously at a few functions, but I got to know him a bit. So we, we would've spoken but I wasn't in his office every week or month or anything.

So that trip you just mentioned, that was approximately when?---I think it was in 2012.

30 And that was a trip where Mr Julian McLaren was in attendance, as was Mr Maguire?---Yeah. Yeah, he invited me.

Mr Maguire invited you to that trip?---Well, Julian initiated it through the business, like, through the Wagga chamber. He said, "We're, we're getting some business people from Wagga to go across to Shenyang and have a look at these markets."

And then I think you said you paid your own expenses in relation to that trip.---Yes. Yes.

40 So that includes paying for flights and paying for visas?---Yes. Yes.

Who organised the visas for that trip? Was that organised by you or organised by someone else. Can you remember?---Sorry.

You at least paid for the visa?---Oh, yeah. Yeah, no, I've got, I'd have all receipts and everything.

Is it possible that Mr Maguire's office assisted in obtaining the visa?---No. Oh, whether he facilitated it happening by giving him my passport and using

it to get to Canberra and all this sort of thing, it may have happened, but I don't, I don't think Daryl – see, I'd been to China many times. I had visas. I knew the procedure, so I don't think I would have needed to use him.

And then in terms of the other end of the trip – accommodation, transfers, things of that kind – was that paid for by you or paid for by someone else?
---Yes. Paid for by me.

10 What about the agenda at the other end, was that – in terms of who you're going to meet when and where you're going to go – who was that organised by, do you recall?---Well, I only had two, I had a Mr Humphrey, and Lydia, who supposedly had a restaurant, just down from where we were staying, at the hotel. But the restaurant wasn't open, and then he's supposed, supposedly had a, a display area at the front of it, and it was full of cobwebs and – like, you wouldn't put your gear in there. And it just, it was a non-event. And then there was another guy, a young fellow, who was a wine distributor. But he was looking for \$6, \$5 bottles, \$4 bottles of wine, and I wasn't prepared to, to sell my wine for that price. So I only had two appointments. And then I had a further one, there was a horticultural, an
20 international horticultural park, which was like over 200 acres, and Daryl had said that New South Wales would be represented in this park on a five-acre lot. And you can imagine, like, we went and had a look at this place. There were creeks and – like, it was just huge. And the, putting the bulldozers through it and, and they were putting roads in it, and – it was over a couple of hundred acres. And he asked me to help him design a pavilion, and we done a pavilion like a boomerang, and - - -

30 So who are you now talking about?---Sorry, Daryl. Daryl asked me to, will I assist him with doing some drafting and stuff? Well, not drafting, but some ideas and, you know, the Opera House with the Sydney Harbour Bridge going across it, and having an Australian theme, and you'd have your products in there. So I spent probably two of the days mucking around with that sort of stuff, and then I had these two other appointments, and then I came home. It was a complete waste of time.

In terms of those other appointments, the first appointment you're referring to was in relation to a Humphrey and a Lydia, is that right?---Humphrey. Yes.

40 What were their involvement, why were you meeting with them?---Well, I, I had the impression that they were the connection in China or one of the connections in China that Daryl knew, and that they were businesspeople, and that they would, and you know, they had a restaurant and this and that, and have a talk to them about your wine. So, that was it, but it didn't come to any avail, it was a complete waste of - - -

So in effect, they were some contacts that Daryl had in China that he was linking you up with as a possible business contact for you?---Yes. Yeah.

Yeah, I, I, no, I took it that he was trying to assist me with developing a relationship with a businessperson in China.

Do you know who Mr Phil Elliott is?---Yes, I know Phil. I've met him three or four times. I don't know him well, but I'd, I'd call him - - -

Was he in attendance on that particular trip?---I didn't think so. I didn't think so. I don't think I've been on a business trip with Phil.

- 10 Have you heard of - - -?---I've had a couple of business meetings with Phil, in Daryl's office, talking about the, the business opportunities in China, but that's, that's probably the only real interaction I've had with Phil, other than, you know, I'll see him around town, and he's a member of the RSL club, and - - -

And is that Mr Maguire's Wagga office or Mr Maguire's Parliament House office in Sydney, where you had the meeting?---No, it'd be in the Wagga office.

- 20 So on what, at least one occasion, perhaps two occasions you've had meetings with Mr Elliott in Mr Maguire's Wagga electorate office to discuss matters of business, using that broadly?---Yes. Yes. Yes, and there was also I think Tim from Borambola was at one of them, and Julian may have been at one. Like it was just a, a few businesspeople in Wagga talking about opportunities and how we could expand our businesses.

And during the course of that meeting, is it right that Phil Elliott was wearing his G8way International hat, if I can call it that?---Yes. Yes.

- 30 So he was attempting to assist you and perhaps assist others in cultivating contacts in China, is that right?---Yeah, I'd say that generally would describe it.

Was there any discussion as to what might happen in terms of fees and commissions and things of that kind during the course of the meeting?---No, nothing, never.

Is that because that was at a very preliminary stage - - -?---Yes.

- 40 - - - before one was talking about the actual mechanics of actually doing a deal, as opposed to the idea of having a deal?---I was a bit disillusioned, because nothing ever happened. You know, I'm, I tend to set goals and set targets and, and work through it, and - but nothing ever really got, so I didn't get too deeply involved. I thought, well, okay, let's hear this all, what this is all about, but, and that's why I didn't talk figures or, you know, there was no - I mean, I realised that I would have had to pay a commission or something to someone, because you're doing business. I mean, that's the way we operate.

The particular meetings in Mr Maguire's Wagga Wagga office, was that just Mr Elliott? Was Mr Maguire involved in those meetings as well?---He was in attendance.

And was he contributing in the sense of saying, "Look, here's some possible ideas, here's the kinds of things that, what I might do"?---Yeah, I think so, I think, look, I took it as being supportive of the whole concept, that he was trying to help Riverina people, businesses to develop opportunities in China, and I took that as being quite relevant, you know, as normal.

Was it apparent to you whether Mr Maguire had any interest or involvement in G8way International itself, in other words, as being part of the business? ---No. I didn't put a connection there. He, he sort of, I, I mean, he, he indicated that he might get out of parliament fairly soon and that there might be business that he'd do after that, you know. But I, I didn't take it that he was actually physically working in the business and running it or anything like that, because Phil was the director as I knew it.

20 So far as you could ascertain, Mr Maguire was assisting as a good local MP might do.---That's what I took it as.

As opposed to necessarily being involved in Mr Elliott's business or any other business.---Yes. And to be truthful, that's the only way I've ever seen Daryl. He's never, ever offered me money or asked me for any, even bottles of wine. I've given him a couple of samples to take to Taiwan. He's tried to help me. But I have never, ever experienced corruption with him.

30 THE COMMISSIONER: When was the trip to China that you referred to, Mr McCormick?---I think it was 2012, Commissioner. I'm, I'm - - -

And was that the only time you went to China and a trip that Mr Maguire was at?---Yeah. Yes. Seemed like that was it. I, that's it.

Thank you.

MR ROBERTSON: In relation to that trip to China that the Commissioner's just asked you about, I think you said there was a second meeting with a younger gentleman, is that right?---Yes, yes.

40 Do you know the name of that individual?---No, I'm sorry. I'm sorry, I couldn't.

Have you heard of a person by the name of Gordon Tse, T-s-e?---Yeah, I know Gordon.

In what context do you know Gordon?---Oh, well, I was over there eight months ago and looking to do a, a theme park in Guangzhou, or just out of

Guangzhou, at a place called Xinsheng. That was a pretty big deal. It was going to be called Wagga Wagga.

How were you first introduced to Mr Tse?---Through Daryl.

And whenabouts was that, do you remember?---Maybe three years ago. Two, two, three years ago. In actual fact, I went to, 'cause I, I go to China a fair bit, and I went to Guangzhou, and Daryl said, "Make sure you look up Gordon." I said, yeah, I said, "I don't know Gordon." He said, "That's
10 okay. He's a good guy and he'll meet you and he's got businesses and stuff over there." So I went over and Gordon said, "Come with me." So we jumped in a car and we drove through Guangzhou into, on the main river – it's a huge place – and we went through a, a private condominium sort of thing, and there's this brand-new hotel complex on the river, with a big wharf out the back of it, like brand-new, and all these high-rise buildings, apartments and so forth. And we went up the first floor and went out onto the wharf, and here they are building this restaurant. Gordon's building a restaurant. He said, "I'm going to put your wine in there, your red bubbles,
Gerry."

20

THE COMMISSIONER: That's earlier this year?---Sorry?

Is that earlier this year? You said about eight months ago.---No, no, sorry, that was a couple of years ago, Commissioner. A couple of years ago at least. Two, two and a bit, I'd say. So, and they were just doing all, and it was quite, he's a very creative guy, like, you know, he's, he's smart and he's good with tourism and stuff, you know, hospitality. So he was going to put my wine in there. I thought, you're joking. I'm not going to let this
30 bloke out of my sight. You know? And, yeah, so I had that trip and, yeah, we got onto, I'd been to his factory. I hadn't been, I have never been to his house, but I've been to his factory a number of times and met his staff, and they're all good people and hard-working Chinese. Then I came back, 'cause as I said, I'm not going to let this bloke out of my sight. I came back about two months later. He said, "I've got some bad news." I said, "What happened?" He said, "This hotel," he said, "the developer has just told me." He said, "Have a look at this photo," and I looked at it, and on the, on the apartments there's all these signs in Chinese across the balconies, blah, blah, blah, blah, blah, blah. And I said, "What's that?" They're all complaining and protesting about having the hotel there because it's got alcohol. The
40 restaurant, it's got alcohol. I said, "Yeah, but you can't even see it. It's behind the hotel. It's on the river." He said, "It doesn't matter," he said, "the developer's worried because he's spent billions of dollars, and these people, he hadn't filled all the apartments. If these people create enough problem, he won't, you know, he'll lose money and all this sort of thing." So I said, "Yeah, but you've got a development application." He said, "No, I haven't." So they, they started building it without a development application. He said, "I haven't got a leg to stand on, but the developer's going to give me the money back. I've spent about 500 grand," he said,

“but he’s going to give it back. I’ve just got to give him the receipts.” And I’ve thought, oh God, I’ve killed a Chinaman here, you know.

MR ROBERTSON: So in terms of the introduction to Mr Tse that Mr Maguire facilitated, did you understand Mr Maguire to have anything in it for him in terms of that, of that referral? Or is it like what you said before?
---No, there’s nothing to do with Daryl.

10 You just thought, well, I think you’ve agreed Mr Maguire referred you to Mr Tse.---Yep.

But so far as you understood it, he was just doing it as a local member.
---Yep.

Providing assistance.---There was no reference to Daryl in any of those conversations. Gordon never really, other than he knew that I knew him, but he never mentioned any business association.

20 That was the mechanism for the first contact with Mr - - -?---Yes.

But once that happened, you dealt directly with Mr Tse?---That’s correct.

And didn’t refer back, as it were, to Mr Maguire?---That’s correct.

Do you know whether Mr Tse had any involvement in G8way International?---No. I, he never mentioned it. He never, that word never come out of his mouth.

30 Do you know what Mr Tse’s company was called?---Golden Sample.

And do you know an individual by the name of Du Wei?---Yeah. Nice guy.

40 How have you come to know Mr Du?---I took my daughter, when she was 16, to Harbin to have a look at the Harbin Ice Festival. It’s a famous event. Like, it’s minus 38 degrees and they’ve got all these sculptures and stuff like that. Then we went, after we went to Harbin, we spent about three or four days there and Lily loved it. So then we, we went to Beijing and Mr Du Wei, I think he picked us up at the airport. He used to be an ex, I think he was a consul or something in Sydney. He’d been in Australia anyhow and he, he took us around and showed us some of the sights, the Forbidden City, a couple of the churches, you know like, you know. It was just, he, he just looked after us. You know - - -

So how did you come to be introduced to Mr Du?---Through Daryl.

Through Mr Maguire as well?---Yes.

But again, was that as you understood it, just a local member helping out a constituent as opposed to having any business activity or involvement?
---Yeah. Yeah, well see, he'd helped me with Jacob, as I mentioned. So we were, you know, and I was sort of mates with him, if you know what I mean?

Let's go back to volume 23. I'll go back to the text messages, I want to ask you a few more questions about. So we're going back in time to May of 2013, volume 23, page 144, item 2014. We'll just pull that back up again.
10 ---Hasn't come up, sorry.

It'll come up just in a moment.---Oh, I'm jumping the gun.

So I started, you remember, with item 204.---Yes.

"I've spoken with Daryl this morning," and I think you've said that doesn't refresh your memory.---"How are you going with the accountant?" I don't know - - -

20 Does that ring any bells as to any discussions you might have had with Ms Wang or perhaps with Mr Maguire concerning immigration around - - -

THE COMMISSIONER: I think if you scroll up a couple, Mr Robertson, you may - - -

MR ROBERTSON: Of course.

THE COMMISSIONER: No, the other way, Mr Grainger.

30 MR ROBERTSON: We'll just go right up to the top if we can, please.

THE COMMISSIONER: 201.

MR ROBERTSON: So you'll see there – now, you're not a party to this particular message, this is between Ms Wang and Mr Maguire. It says, "Hi Daryl. Just spoke to Gerry, all good. He will send me the financial reports tomorrow." Do you see that there?---Yeah.

40 Now, you're not a party to that but it sounds like there's some communications with Ms Wang and Mr Maguire regarding you. Does that ring any bells at all?---I had to get the financials to provide that I was legitimate business. Like, you know, I wasn't just a - - -

THE COMMISSIONER: For the visa - - -?---Yes.

MR ROBERTSON: But what I'm really trying to understand at the moment, by the looks of these messages, Mr Maguire had some involvement in either introducing to you or suggesting to Maggie Wang that

you might be a person who might be interested in the migration scheme, and I'm just trying to see if I can jog your memory, and I know it's a long time ago, seven years ago.---No, I, I didn't put any connection with Daryl to the immigration. So this is news to me as such, but I don't even remember speaking to Daryl about it.

10 And so focussing on 204, and looking at the context that we've shown you towards the top, that doesn't jog your memory as to any particular communication with Mr Maguire, is that right, regarding this immigration issue?---There was talk about putting different people on it. You know, chefs and cooks and this and that and I said I would, "Look, I'm not just, I'm not interested in that. I'm interested in what I want, which is - - -"

So talks with who are you referring right now?---Maggie.

20 So there was a more general discussion with Ms Wang about what potential employees and potential areas?---Yeah, what I could do and I said, "I don't, I'm only interested in this marketing effort in China, if you can help me with that."

Because I think you've to a restaurant associated with your winery, is that right?---Yes.

And so that was one of the things that Ms Wang was suggesting, you might be able to have someone as a cook or - - -?---Yeah, a cook or - - -

- - - something like that as part of the migration scheme?---Yeah, yeah.

30 You're not interested in that, what you're interested in is a way in for wine sales into China, is that right?---exactly.

And that's whether Ms Wang was essentially offering, you provide assistance which will allow a Chinese national to get a visa in Australia and they will assist you, either themselves or through family or other connections, to open the door in terms of wine sales in China?---That's exactly right.

If I can go, please, to page - - -

40 THE COMMISSIONER: Before we leave that page, Mr Robertson, Mr McCormick, Mr Grainger, can you scroll down so we can see 205 as well. So, Ms Wang communicates with you, item 204 at 12.32 on the 27th of May - - -?---Yes.

- - - saying she's spoken to Daryl and also asking you how you're going with your accountant. You replied about 10 minutes later to say the accountant was typing up the figures. You didn't raise anything with her as to why she might have spoken to Daryl about what appears to have been this

discussion that you and she were engaged in about their visa. Does that help you, does that refresh your recollection?---I think what happened there, I was talking to my accountant, she's asking how did I go with the accountant with the figures, like the figures for the business. Then I replied back that the accountant is providing that information to me now.

10 So, my question is about that you don't raise in your response to her any question about what she's talking about when she's said that she's spoken with Daryl this morning. The context appears to indicate that she's spoken to him about the matter you and she were communicating about, the visas.
---Yes.

20 And I'm asking if that refreshes your recollection that Mr Daryl Maguire had some, you understood at the time at least, that Mr Maguire had some involvement in the arrangements you and she were discussing about the visa?---Yes, it indicates that, but from my recollection, I didn't put any connection that Daryl to the thing. Whether I was asking him as a friend or what's he think about this or, you know, or how's it all working, but I didn't really put him and her as working together on the project.

But it must have been evident to you when you received the text, which is item 204, that she and he were in fact having something to discuss in relation to the subject of common interest to you and she, the visa?---Yeah, it does indicate that.

30 MR ROBERTSON: Thank you. Particularly focus in, message 204, to the second sentence. It says, "I totally understand your position." Do you see that there? It's the second sentence, 204, "I totally understand your position."---Yeah, well she, see, I tend to be strong willed, as if I want something, then I indicate that's what I want. And she might have been trying to tell me, "Oh well, how about we go for a chef or something like that?" and I would have just said to her, look I'm sorry but I'm not interested in that.

40 What it looks like is, and I might have this wrong, what it looks like is that you've spoken to Mr Maguire and stated something about your position, and that's been communicated to Ms Wang and she's come back to you and said, well, I understand, I totally understand your position as communicated to Mr Maguire. Does that sound right?---Yeah, I think, rather than tell Maggie, I would have told Daryl, listen. this is what, this is what I'm about with this job, you know.

And doing what you can, what do you mean by that, what was your position, to use the words of Ms Wang?---Daryl knew Maggie much better than I did and I would, if she was talking to me about other positions, because I know she was saying, how about we go for a chef or something like that, and I would have said to Daryl, hey, listen mate, can you tell this girl that I'm only interested in that position? This is my situation, that's

what I want to happen. I think she's saying, I totally understand because I've spoken to Daryl what you're, the point you're trying to make.

So, having looked at this now, does it look to you like there was at least some communications with Mr Maguire in relation to - - -?---Oh there must have been.

- - - to this migration matter?---Must have been.

10 And I'll just help you by way of some further context. Let's just go back a page please. And again, this isn't a message that you're a party to, but it might help you with the context. Page 143 of volume 23, it will come up on the screen just in a moment. Could you have a look at item 195. So this is a message from Mr Maguire to Ms Wang. You're not a party to it, but see it says, "Maggie, please call Gerry McCormick. He's a great friend of mine," et cetera. "He's expecting your call. I explained the concept." Do you see that there?---Yes.

20 Now that seems to suggest that Mr Maguire had some involvement in making sure the initial communication took place.---Yes.

Does that jog your memory at all that it may be that Mr Maguire - - -?---I can't remember talking to Daryl about it, that's the strange thing. I talked to Daryl about the business in China but not about this immigration scheme because I was talking to Maggie.

If you look towards the bottom, Gerry is selling wine in China and needs an accountant. Do you see that there? How did Mr Maguire know that you needed an accountant?---I didn't need an accountant.

30 No, you needed a door opening into China.---I needed a marketing consultant.

But why would have Mr Maguire been saying to Ms Wang that you need an accountant? Presume you're not making that up. There must have been some communication that you had with Mr Maguire regarding that matter. ---I don't need, I didn't need an accountant. I'm not that big. I've got good accountants already that look after my business.

40 So do those messages at all refresh your memory about some involvement of Mr Maguire that led to the immigration scheme?---No, sorry but I, I can't recall Daryl ever having anything to do with the immigration side of it. He must have, obviously. I've spoken to him about it. But I didn't make that connection, that he was promoting it or whatever. But obviously he's talking to Maggie.

THE COMMISSIONER: Was it the case in May 2013 that you had 10 employees, five of whom were permanent?---No.

You didn't have 10 employees?---No. I've never had five, I've never had five permanent employees. At the moment we've got four, including myself. I've got a number of casuals. There would be up to 10 casuals that work through the restaurant, and I've got a guy that works for me on the farm, but I've never had that, those numbers.

10 Well, when you said you've got about 10 casuals, did you say, nine are - - - ?---Over the, over the year. Like, if we have a wedding, but, see, some of those casuals may only work five or six times a year for me. But they're not permanent casuals, if you know what I mean. So on the weekend we'd have, normally, four casuals.

In the restaurant, for example?---Yes. And three in the kitchen, which would, two would be permanent. My daughter Lily is the restaurant manager. She's permanent. I'm permanent but I don't get paid.

Well, not directly, presumably, but - - -?---Yep.

20 MR ROBERTSON: Where would have Mr Maguire got this idea that you had up to 10 employees and five permanent?---I don't know. It's never - - -

THE COMMISSIONER: But over the year, from what you've just said, you may have 10 employees. Maybe not all of them - - -?---Yes.

- - - were permanent, but with, presumably, do you also grow your own grapes?---Yes.

30 So with grape pickers and the like.---Yeah, we do harvesting with the harvesting machine. But, I mean, I could, yeah, have, you'd have up to 10 people that might progressively work during the year, but that seems to indicate to me that I've got five permanents and 10 regular casuals, which is not the case.

MR ROBERTSON: You said a little while ago that you didn't need an accountant, but would you agree that you ultimately signed documents saying that you were going to employ Daisy as an accountant?---Yes.

40 So we're looking at May of 2013.

THE COMMISSIONER: Are all these documents in evidence already, Mr Robertson?

MR ROBERTSON: They mostly are. In relation to the text messages, I propose to tender them as a complete bundle a little bit later in the public inquiry.

THE COMMISSIONER: Very well.

MR ROBERTSON: So we were in May 2013 a little moment ago. I showed you some text messages. It looks like you're in communications with Ms Wang, providing information from accountants and things of that kind. Do you recall what the next step in the process then was?---Well, I, do you mean after she, after Daisy's been appointed?

No, well before that. We're in May of 2013.---Righto.

10 We've looked at it from the text messages.---Yep.

There's some communications going between you and Ms Wang to provide certain things, including from the accountant. And we'll just bring it back up on the screen so you've got the full context, page 144. Have a look at item number 205 when it comes up. "The accountant is typing up the figures as you requested. Maybe tomorrow." Do you see that there? ---Which number is it, sorry?

20 Item number 205.---Oh, yes. Yep, yep.

So it looks like you're preparing some information to go back to Ms Wang, is that right?---That, that would be the financial reports that I, the company had to provide.

And then what happens next in the exercise? So after you, by the looks of it, after you provided some information from the accountants, what then happens next?---Well, Maggie took all the documents and come back with, yeah, it's in the, I've put it in the system, you know.

30 When did you first meet this Daisy Li individual, do you remember?---I thought, to be honest with you, I thought it was September 2013.

Let me try and help you this way. If we go to page 147 of volume 23. So the message I showed you a minute ago about the accountant typing up the figures was 27 May, 2013.---Yep.

40 I'm now going to show you some messages from 1 June, 2013, a few days later. So if you have a look at item number 230, Ms Wang's saying, "Hi Gerry, thanks for organising the accommodation." Do you see that there? ---Yep.

So does that refresh your memory that Ms Wang at least attended upon you in Wagga around 1 June, 2013?---Yep. That's it. Yep, that would have been where I met her. Yep, yep.

Do you recall what the purpose of that meeting was with Ms Wang at least attending?---Well, that was to interview, sorry, interview Daisy with the suitability of employment. I was, I was checking her out, you know.

And so I take it that Ms Wang is only presenting you with one potential employee, it's not like she's giving you 10 CVs or whatever with a series of different people to choose?---No. No, I was quite specific in what I was requiring, and I thought that she'd done a good job, because Yantai is, as I said, it's a famous winegrowing area. I mean, they've been growing wine over there for 5,000 years. I don't think they've learnt anything, but - - -

10 And so when you say specific in terms of what you wanted, you didn't want anyone who was necessarily going to help you do anything at the Wagga end, it was all about assistance that you might get at the Chinese end, is that right?---Yeah. Yes.

And so if you have a look at items 231 and 232, you see the context and the background of attending. But if we can then please turn to the next page, please, to page 148, if you can have a look at item 240. This is a MMS rather than SMS sent, "Hi Maggie, hope you, David, Monika, and Robert enjoyed your stay in Wagga Wagga." Do you see that there?---Yep.

20 So who are those other individuals? Who are David, Monika, and Robert?
---I think David's her husband, David.

And Monika?---Monika. I do remember, they came to the restaurant, there was a group of about four people. I think they may have been friends from Sydney that were just in Wagga, like, for the weekend or something.

Friends of who?---Maggie's.

30 Does the name Monika Hao ring a bell to you?---No, I'm sorry.

And if we just scan a little bit further down, if you can have a look at message number 244. There's a couple of messages about the sunset, et cetera. Do you see there a reference there to Mr Du?---Where is it, yep.

Now, what was the relevance of Mr Du around early June of 2013?---That would have been the trip that I took with Lily, I think, because I would have said, "Oh, Daryl's introduced me to this guy that's in Beijing, and we're going to catch up with him" and I think she was just saying he's a good guy.

40 So is it right then that around this period of time, around June of 2013, you're considering this idea of assisting Daisy in obtaining a visa. As part of that you want to meet Daisy, but you also want to go over to the Chinese end to see what Daisy and perhaps her family might be able to do for you if you assist her in getting the visa, is that right, is that fair?---I think that's a little bit early. I, I, I'm, my memory's - because I think I went to Yantai in February of 2014.

Well, if you just have a look at that particular email, oh, sorry, particular messages, 244, Ms Wang says, "Wish you a big success in Beijing." Do you see that there?---(No Audible Reply)

So by the looks of it, you were off to Beijing sometime soon, and you were going to see Mr Du, and you're being wished big success.---Yeah, I don't know.

10 Does that help at all?---I don't know, because I, I haven't done any business in Beijing. I mean, I've attended a couple of trade fairs.

Let's go to the next page, then. And if you have a look at item number 249, so we're now towards the end of June, "Spoke with Daryl and he said he would call you." And then you respond saying, "Great, appreciate it." Do you see that there?---Yeah.

And then 251, "Did Daryl" - - -

20 THE COMMISSIONER: I think the first message is from Mr McCormick, Mr Robertson, isn't it?

MR ROBERTSON: Yes, sorry, I may have misspoken.

THE COMMISSIONER: The second, "Great, appreciate it," is from Ms Wang.

MR ROBERTSON: So do you see that context there, 249250251?---Mmm.

30 Now, the reference to Daryl there might not actually be Mr Maguire. It might be a Daryl Day. Do you recall, do you know a person by the name of Daryl Day?---Yep.

And how do you know Mr Daryl Day?---He's a good muso in Wagga Wagga.

And did Mr Daryl Day have anything to do with this question of immigration?---I think she may have been looking for other businesses to get in - - -

40 THE COMMISSIONER: For visas?---Maggie.

Yes, but to place visa applicants?---To get into the business. Sorry? Yes.

To place visa applicants?---To place visa applicants.

MR ROBERTSON: So you've got a recollection that Ms Wang may have been interested in making contact with Daryl Day with a view to setting up a similar immigration scenario to the one that she was assisting you with, is

that right?---Yeah. But, see, that, that, I don't know how that'd work, because he's, he'd want tradespeople. That, they were, he was pretty big in manufacturing car components.

Well, if we have a look at the next page just to get some further context, and you can have a look at item 259. So this is Ms Wang going to you, "Hi, Gerry, got your email. MYOB is not a problem. I understand what Daryl Day said. However, that student will lose his opportunity. What we offered, not only he has no costs involved, also you can make a profit of
10 \$30,000 without any risk. Could he consider from helping this student point of view and do us a favour? Thanks so much, Gerry." Do you see that there?---(No Audible Reply)

Sorry, you need to answer out aloud.---Sorry, yes.

Does that refresh your memory as to any involvement that you might have had in relation to Daryl Day and some question of visas, immigration and the like?---No, it's too far back. I - - -

20 Looks, at least to me, like Ms Wang is communicating with you regarding a similar migration opportunity with Mr Day.---Mmm. Yeah, but I wasn't working as her agent.

No, but you may have, she was assisting you and you may have been assisting her with speaking, for example, to Daryl Day?---Oh well, yeah, I spoke to Daryl about the experience that I'd had, that she'd you know, she'd done all the paperwork and it was helpful and all that, but she hadn't not turned up, you know what I mean, like this is before we'd even appointed her.

30 So at this point in time you're expecting Daisy to actually turn up - - -?---Oh for sure.

- - - and actually work at or near your premises on a full-time basis for at least some period. Is that right?---I took her in to show her that unit, you know, I got it all done up, all repainted and everything so that she had somewhere to live.

40 And are you saying you've got a recollection of communicating with Mr Daryl Day where you're explaining to him, well, this is the visa arrangement I've been involved in with Ms Wang, why don't you have a chat to Ms Wang about the possibility for you?---Yeah, but it was only the paperwork. So that was well before I, I'd appointed Daisy. This is only that she brought, you know, brought her up to have an interview, that Maggie was handling all the paperwork that it's a bit of a breeze, if you know, to do this.

I'm trying to understand what your communications were with Mr Day or your communications with Ms Wang regarding Mr Day. Did you communicate with Mr Day about this migration scheme as a possibility for him to be involved in?---Yes, I would have recommended it.

And if you have a look, see it says, what, there's a reference in that message, and this is coming from Ms Wang, you have no costs and you can make a profit of \$30,000 without any risk.---Yes.

10 So that's what you understood was on offer to Mr Day. Is that right?---I don't know, I didn't have that conversation with Day.

Well, you've at least understood that there was something similar on offer to you an arrangement where the cost of employment an employee would be reimbursed, correct?---Yes.

And what was also on offer to you was a cash payment.---Yes.

20 But you decided to forgo the cash payment.---Yes.

But instead but was expecting to have assistance in wine sales into China. Is that right?---That's correct.

30 And then if you just have a look at item number 261. So we're now in the middle of July. "Hi Gerry. As discussed earlier today, I just sent you an email. Please check. If you can sign and scan the last page back to me today, that will be great. Daisy Li is happy to go to Wagga and have an interview this Friday if okay with you. Let me know if any concerns." Do you see that there?---Yep, yep.

And so is it consistent with your recollection that you had an in-person interview with Daisy?---Yes.

And that that happened on one occasion, I take it, there wasn't multiple in-person interviews?---No. I thought, I thought it was September but this is July. So that, that would be consistent.

40 And so that meeting in person ultimately took place, is that right?---Yeah, yeah.

And who came up for the purposes of that interview, was it just Daisy or was there anyone else coming with Daisy?---Oh, Maggie would have come with her I would say, for sure. She would have been reduce to - - -

Anyone else so far as you can recall?---No, I don't think her mother came until December. I think it was only, would have been only Daisy.

And if we just scan down a little bit further and go down to item 266. Ms Wang is saying, "We're on a plane now. See you soon," on 12 July, 2013. So it looks like this meeting was happening on 12 June.---Yep.

THE COMMISSIONER: July.

MR ROBERTSON: 12 July, I'm sorry.---Yep.

10 And if we then just turn the page to 268 and if you look at the top, we're now in the evening. "Hi Gerry. Daisy is very excited by this opportunity and very happy to start with marketing for you in her spare time. Thanks again for the lunch. Maggie." See that there?---Yep.

So what was that reference to marketing for you in her spare time?---Oh, I don't know. I, wouldn't have been spare time. It would have been working for me, I would imagine.

20 Well, as at July of 2013, you understood Daisy to still be a student, is that right?---Oh, sorry. Yeah, yeah. She may have been doing some translations for me. So I, I might have suggested to Maggie that I needed some marketing but it's all in English.

So just to get the context, by the looks of it, 12 July, there is a meeting in or around Wagga where you meet Daisy for the first time, is that right?---Yes.

That meeting, I take it, went relatively well in the sense that you were still interested in getting Daisy involved at that point of time, is that right?
---Correct.

30 And we then see Ms Wang saying, "Daisy is very excited by this opportunity and happy to start with marketing for you in her spare time." Do we understand that to mean although she's not going to start as an employee sometime soon, she is willing to do a little bit of work?---Yes, that's right.

In effect on a casual basis, as you go through?---Correct.

40 Now, at this point in time, were you expecting Daisy to actually turn up on a full-time basis after any visa was granted to her?---Yeah but I think from my recollection that Maggie said it'd take six months. Like - - -

So you were hoping for Daisy to provide some general assistance in the interim period?---That's correct.

But there would be a delay between applying for the visa for Daisy and potentially getting it, is that right?---That's correct.

But is it right to say that, at least from the time of this meeting, you decided that you would at least get involved in the paperwork and you would fill out the paperwork necessary to have daisy employed as an employee?

---Correct.

But that paperwork was going to identify her as an accountant, is that right?

---That's correct.

But you didn't need an accountant, correct?---No.

10

You were going to put some false information through to the Immigration Department to say, "I'm going to employ this person as an accountant," but with a view of using her and her contacts in order to get wine sales into China?---Yeah, that's correct.

Is that a convenient time, Commissioner? I'm about to move to another topic.

20 THE COMMISSIONER: Yes. Thank you, Mr Robertson. Mr McCormick, we're going to take an hour's adjournment for lunch now. So can you please return to the Commission at about just a bit before 2.00pm?---Yep.

Thank you.---2.00pm.

We'll now adjourn.

LUNCHEON ADJOURNMENT

[12.59pm]