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28/09/2020

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pp 00555-00590

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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE RUTH McCOLL AO
COMMISSIONER

PUBLIC HEARING

OPERATION KEPPEL

Reference: Operation E17/0144

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON MONDAY 28 SEPTEMBER, 2020

AT 2.00PM

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

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

<GERARD CHARLES McCORMICK, on former affirmation[2.02pm]

THE COMMISSIONER: Mr McCormick, you're bound by the affirmation you gave this morning.---Yes. Yes, I understand.

Yes, Mr Robertson.

10 MR ROBERTSON: So Mr McCormick, where we got to before lunch, we got up to July of 2013 and you remember the message, "Daisy is very exciting by this opportunity and very happy to start with marketing for you in her spare time." And so I take it that by that point in time you had met Daisy and you, at least at that point in time, were happy to effectively put her on and sign the documents necessary for Daisy to get the visa, is that right?---Yes.

20 And you then worked with Ms Wang in preparing or at least signing off on the documents that needed to go to the Immigration Department in order to procure a visa for Daisy, is that right?---That's correct.

And in terms of the physical exercise of preparing those documents, was that you that played a significant role in drafting the documents or was that mainly done in the Ms Wang end?---No, no. I, I had very little do with it from memory.

So what input did you provide to the documents that ultimately went to the Immigration Department?---Any of the financial records that were required and I signed them signed, the documents.

30 So there were certain documents you recall signing, is that right?---Yes.

Do you remember whether there was lots of document that you had to sign or was it only sort of one or two?---No, I'm sorry, I'm sorry.

Is it your practice when you have to sign something to always sign it with a pen or do you have an electronic signature that you might sometimes affix? ---No, pen.

40 Always a pen?---(No Audible Reply)

Do you recall ever sending to Ms Wang an electronic signature, perhaps something you've signed on a piece of paper but scanned it and sent through to her as an electronic document?---It's not my practice to do that. I, I may have but I can't, I can't answer that, I'm sorry.

And in terms of the documents that were sent to you by Ms Wang, did you carefully review them and then decide to sign them or - - -?---No.

- - - did you just as it were tick and flick, sign what you needed to sign and move on from there?---Yep, yes, that's correct.

So in terms of the documents that you might have actually provided, things like financial records things of that kind, is that right?---Yes.

What about an employment contract, was that something that you may have prepared?---I didn't prepare it but I, I'm pretty sure I signed one. Letter of appointment of something like that.

10

In terms of the text of that document, did you draft the text of that document or was that drafted by someone else?---No, I didn't draft it.

So is that another example of material provided to you by Ms Wang for your signature, is that right?---Yes. Yes, that's correct.

Can we go, please, to volume 19, page 111, and while that's coming up, Commissioner, I tender as a bundle what I will describe as the McCormick immigration bundle, pages 110 to 201 of volume 19 of the public inquiry brief.

20

THE COMMISSIONER: That will be Exhibit 203.

#EXH-203 – 'DAISY' IMMIGRATION BUNDLE - NASHVIN PTY LTD

MR ROBERTSON: Mr McCormick, you refer to a letter of appointment document. If we can go to page 111 of what is now Exhibit 203. Just bear with us a moment, Mr McCormick. Volume 19, page 111. Is this the letter of appointment document to which you referred earlier?---Yeah. Yes, that's correct.

30

And you'll see in the second substantive line, it refers to an accountant, do you see that there?---Yes.

But you never had any intention of employing Ms Li as an accountant, correct?---That's true.

40

It says, "This position will exist for at least three years from the commencement date." Do you see that there?---Yep.

It was never the intention for the position to exist for at least three years from the commencement date, was it?---Well, no. I mean, if she had been successful, liked the job and we were kicking goals, then I would have employed her, but yeah, it was really to get an introduction to the market and get some distributors.

And when you say “liked the position”, really what you were seeking to achieve here is to do a favour as it were for Daisy and her family, with a view to her family paying you back by giving you access to wine markets in China, correct?---That’s exactly right.

10 So you didn’t really care whether she turned up at all, so long as you obtained access to wine markets in China. Do you agree?---Oh, I did. I, I wasn’t happy that she didn’t come, because it’s not my nature to try and deceive the government, you know? I mean, it’s, it’s something that, well, didn’t sit well with me, and as soon as Daisy had finished, that was it. No more.

But deception was always a part of the arrangement, wasn’t it, because amongst other things, you were going to tell the government that you wanted an accountant, even though you didn’t need an accountant, correct? ---That’s correct. I done the wrong thing.

20 And if you then have a look towards the bottom, see it says “an initial probationary period of three months”?---Yes.

What was your understanding of that clause, if you had an understanding about it at all?---Oh, well, I guess it was to, to see how, how she went. I mean, if she was completely hopeless from the point of view of not doing anything, I wasn’t going to continue in the arrangement, you know.

30 But didn’t Ms Wang make it clear to you, before even signing this document, that it was quite possible that Ms Li wouldn’t turn up at all? ---No. It was after this appointment was when I found out about it, and I thought, I’ve been sucked in here.

Didn’t she at least make it clear that you wouldn’t have an obligation to continue to employ this person beyond a period of, say, three months?---I didn’t look at it that way. I was looking at it from a positive sense.

40 But what I’m asking you about is what Ms Wang said to you. In advance of you signing the document that we can see on the screen, Ms Wang made it clear to you that you wouldn’t have an obligation beyond a period of three months, is that right?---That’s correct. Yeah, yeah. That’s right.

If we can then, we’ll just turn the page so you can see the next page of the document. And then we’ll turn one further page, and then one further page. And do you see there in about the middle of the page, do you see a signature there?---That’s mine.

Is that your signature?---Yes.

Do you recall signing a document called Letter of Appointment?---Yes.

Now, could we then turn to the next page of this bundle, and I'll just turn that around so you don't have to put your head 90 degrees.---Yep.

Have you seen this document before, entitled Organisation Structure Cottontails Restaurant Function Centre and Winery?---Yes. It's on the file. I've got a couple of things. I've got the letter of appointment and this document on file, but that's about all I've got.

10 Now, did you prepare this org chart or did someone else prepare it?---No, it's not mine, I don't think, because on the top on the right-hand top corner, there's some numbers, and that's not - - -

Don't worry about the numbers.---Oh.

THE COMMISSIONER: Don't worry about those.

MR ROBERTSON: That's something that's been added by the Commission.---Sorry.

20

If you ignore the numbers in the top right-hand corner and ignore what's on its side, volume 19, 115 - - -

THE COMMISSIONER: And the top left-hand corner.

MR ROBERTSON: So ignore that bit. What about the remainder of the document?---Yeah, no, I wouldn't have – see, I, I haven't done a flowchart like that on my computer. I mean, I'm not graphic.

30 And it also doesn't reflect the actual organisational structure in relation to the Cottontails business, is that right?---That's correct.

You see for example, "proposed accountant" on the right-hand side.---Yeah. That was never the case.

That was never the case. So this is another document that was going to give some misleading or false information to the Immigration Department. ---That's correct.

40 Did you see this document before it was submitted to the Immigration Department, do you recall?---No.

You don't recall or you did not receive it?---No, I don't recall. I don't think I would have seen it, but I don't recall.

So it's possible that you saw it beforehand.---Yes.

But it's possible you didn't.---It is.

Doing the best you can, when do you think you first saw the document I've now put on the screen?---When she was appointed. Like, you know, when she came. Oh, sorry, well, when she was supposed to come, I would have.

Sorry, do you mean at the time that the visa application is being put forward, or do you mean at some later stage after the visa application has been successful?---After the visa application.

10 And just turn to the next page. And again, ignore the numbers in the top right-hand corner.---Okay.

If you just look at the letterhead, Cottontails on the Ridge, et cetera, that's your letterhead, is that right?---Yeah.

And what about immediately underneath it, the graphic we can see underneath the rectangle?---Yeah, that would have been from our, from my letterhead, but that's no longer, we don't call ourselves Harefield, we're just Cottontails.

20

Was the case as at the time that you - - -?---Yeah, it would have been.

So as at 2013, you called yourself Harefield, is that right?---Yes. Yes.

Do you recall sending the letterhead to Ms Wang?---Well, I must have. She's got it.

You don't recall, but you infer from the fact that we can see it on the screen that you must have sent it to her?---She's got it. Yeah. Must have.

30

But what about the content of this document? See it says Appropriate Reference to Industrial Award, et cetera?---Nah, I'm not that, I'm not - - -

Did you draft that or did someone else draft that?---I didn't draft that.

Do you recall whether you saw this document before it was submitted to the immigration authorities?---I can't recall, sorry.

40 We'll just turn to the next page. Do you recognise that as your signature?
---Yes.

But do you recall whether or not you signed this particular document?---No, I, it's not familiar, but I may have. I mean, I, my signature's on it, so I suppose I've got to cop it.

Can we then go to page 120 - - -?---Does that look exactly the same as the other signature?

Mmm, I was about to draw that to your attention.---Because I don't, I don't always sign exactly the same.

Well, let me try and answer that this way. Can we do a split screen with this, please? On one side, can we have page 119, which is the one that I've just shown the witness, and on the other side, can we have page 114? 114 and 117, actually, if the operator wouldn't mind. So I'm going to show you on one side of the screen the signature that I first showed you by reference to the letter of appointment, with the first signature of yours that we saw.
10 And I will also show you the one on page 117, which is the signature on the document called Appropriate Reference to Industrial Award.---Yeah, it's exactly the same. Yeah, I can't remember seeing that document, that second document. The one that's – the latest one you've shown me.

So I take it, then, that whilst you've got a recollection of signing the letter of appointment, you don't have a recollection of signing the document on the right-hand sign of the page?---No. No, I, because those little, minimum salaries and stuff, that's news to me.

20 Well, if you have a look at the figure, the 58,995 package, that figure, was that a figure that you suggested as the figure for Daisy?---No.

Was that a figure that came from somewhere else?---Yeah. I didn't suggest that.

In a sense, you didn't care what the figure was, because you were being reimbursed for the amount that was going to be paid to Daisy through the books, is that right?---Well, I had done another, I, I had 70-odd thousand dollars' worth of sales in the finish. I was happy.
30

Quite. Well, so I'll deal with that in stages.---Sorry.

In a sense you didn't mind how much you were notionally paying Ms Li because that money was being paid back to you by way of a reimbursement, correct?---Yeah, well, through the sales. Like - - -

But I thought you said to us this morning that part of the deal was that Ms Wang would repay to you the amount that was going out to Ms Li, to Daisy Li, by way of a salary.---Yeah, but I only ever received five grand off her
40 and then I sent her an email to test her out and she rang me immediately and said, "Don't write anything." And I said, "Well, don't pay me anymore money."

Well, let's be clear about that. In terms of wages being paid to Daisy, how much, if any, wages were paid to Daisy?---Everything. Everything that was listed.

When you say everything, you mean how much?---Fifty-odd thousand or whatever it was, on a weekly basis.

So a year's worth of wages?---No, she wasn't, she was only there nine months, I think, nine or 10 months.

Well, when you say there, she wasn't actually there.---Oh, well sorry. She was only on the books for that - - -

10 So she was on the books for about nine months or thereabouts?---Yes.

And you paid the nine-month equivalent of the 59-odd thousand dollars that we saw on the screen a moment ago, is that right?---That's correct, that's correct.

And that was put through the books?---That's correct.

PAYG taken out?---Yes.

20 Superannuation paid, et cetera?---Yes. And paid into a bank account that she had registered at my, like at my address, at 562 Pattersons Road.

And so paid into a bank account that you understood to be a bank account of Ms Li, is that right?---NAB.

Now, was that amount of money then reimbursed to you, the nine months' worth of \$59,000?---No, no.

30 But didn't you say to us this morning that that was part of the deal, that the wages would be reimbursed? Or did I misunderstand your evidence?---No, no, no. She, she was going to pay us regular amounts. In actual fact I had to sign off on this thing to say that I was getting this money and I said, "What's this for?" And she said, "Well, I don't get paid," but I wasn't getting that money.

THE COMMISSIONER: I'm sorry, Mr McCormick, who were you speaking to?---Maggie.

40 Will you just start this conversation again? Mr Robertson asked you whether you were going to be reimbursed this amount.---Yeah. And I took it that I would get the sales. Now, they gave me a 50-odd thousand - - -

The wines sales?---The wine sales. 50-odd thousand upfront, oh well, in that, before even Daisy came on.

\$52,000, I think you said.---Yeah, 51,334. And then there was another order that they promised me for about 20-odd thousand, a bit over, that I, I, I got the next year.

And they were who?---Oh, sorry.

Was this the parents or is this the - - -?---Yeah, the parents. The parents, I'm sorry.

10 And did that order come through as well?---Yes, yep, on the books, everything, dispatched and I was paying her through wages and then I got, I got another order from a completely different person from Shandong province and that totalled two orders of about 55,000.

Each or all up?---In total. And then since then I have had six or seven orders from one other guy, 155 grand in total, roughly. So I've got over \$270,000 from the exercise.

20 But you were recounting to, in response to Mr Robertson's question, a conversation you had with Ms Wang in which you, there was some mention of \$5,000 or worth - - -?---Yeah. Well, after Daisy didn't turn up, I, I wasn't happy about it because, you know, it's one thing to say that you're going to employ an accountant, but then not to employ anyone, like a phantom. I mean, what happens if they come to my office and all this sort of caper, I would have been in - - -

They being?---The immigration people. Because I, you know, I, not accustomed to doing these sort of fraudulent things, you know? I mean, this is no good. She's - - -

30 So she hasn't turned up but you were still paying these wages?---No. Well, that's when she started, see, in April and I started paying it and then they came and her mother came, and Maggie, and they said, said to me, "Look, it's no good Daisy coming here because she doesn't know anyone, she doesn't speak very good English. She's not going to do any business here and I've just bought a house in Eastwood where she is going to," you know, "she can live," and stuff. "And what we will do is that she can travel across to China and we'll do some work over there and get you the sales."

40 And who was the "I" who had bought the house in Eastwood, Maggie or her mother?---The mother, the mother had purchased a new, a, a new property or whatever. And I said, "That's not the agreement." I said, you know, "We, I, look at the work I've done here to go out and get this unit fixed up for you and, you know, you told me you were getting her driver's licence for," or Maggie did. "What's going on?" She said, "Oh, well, we'll, what we'll do is we'll pay you, you know, for your time, so give you five" - - -

Sorry, who's - - -?---Maggie.

Yes.---"Give you five cash, 5,000." And I took it. I shouldn't have. Then I thought to myself, "This is a scam." I said, "This is going to be," so I sent

her an email. I said, "Oh, regarding the next payment, Maggie," blah blah, something like that, it was just something. And she rang me up and said, "Don't you ever send me an email about payments." And I said, "Well, you told me that this was legitimate, that this was a proper scheme. So don't pay me any more money. Don't you, you know, I don't want to get any further involved. I'm already sucked in, but I'll continue the arrangement because I've given that commitment there. You've given me an order, you've promised me another order, and you've promised me referrals, so I can see a future in it." And, quite frankly, if I had have, if I had have lost money, well, it's my own fault. Stupid decision. And that's the way I approached it. I looked for the positive. I've got another order. And I, this is all on our books, the 21,000 or whatever it went to, the free-trade zone. Now, what they were doing is that the first order was done so it's the Chinese New Year and they give all their clients, like, they have, this was a pretty big business.

What was?---The, the mum and dad's business. They had a fairly large business or they were employed with a fairly large company and they were both on very good money, so they could afford it. And then the second order was for the, what they call the Moon Festival, national day, which is around this time of the year. But they ordered it in December, delivered it in May, and they put it into the international free trade zone out of Yantai. There's a, I don't know if you recall a couple of years ago, but there was a major fire there in this international trade zone. Anyhow, Donguang or somewhere. And they had it stored in there because what happens is they don't pay the tax until they withdrew it, and they wanted to have it in there for three or four months. They had it, so they don't have to pay the export income, the income or import tax. And then they had this for this Moon Festival. That was the whole idea of it. But those are the only two orders that I can directly relate to those people, 71,000. But there's another couple hundred grand that I asked these guys, and they said, oh, you sold some wine to Ms Li. So I assumed it's the same person because I, that came out of the blue, this other, these other orders. Now, that was my recompense, as far as I was concerned. The business had this expense but it was worth the exercise, and this mean that I was going to have ongoing business, which I do have. In actual fact, I've got five pallets going to China on, tomorrow.

So it has, in fact, kickstarted your wine sales into China.---It has. It's been tremendous from that perspective. And I had lunch with these guys. They came up. And, you know, I don't want to get these people involved because ---

These are the purchasers.---Yeah, the new distributors, you know. They're very nice people and they're very happy with our product, and it's something that, you know, I've got to look forward to, I guess, because I had lunch, they came to my winery and had lunch yesterday and confirmed the order, and I gave them some more marketing material and showed them

the order, you know. So it's been worthwhile exercise. But at the time I was furious.

MR ROBERTSON: So, in a nutshell, you assist Ms Li in obtaining a visa, including by lying to immigration authorities. In exchange, she and her family assist in you opening the door to wine sales in China. Is that correct?---Exactly. That's correct.

10 And let me just try and unpack some of what you just told the Commissioner, because I want to be clear on your evidence. Let's go back in time, back to when you're discussing with Ms Wang what the arrangements will be in terms of the visas. This is before you've met Daisy. It's when you're discussing what's going to be in it for you, what's going to be in it for her. What I thought you said to us this morning, and I may have misunderstood, was that part of the deal was that Ms Wang would reimburse you or give you an advance in relation to the salary that would be paid to Ms Li. Is that right?---Yes, that's correct. She did, she suggested that, but I knocked it back. That's what I said to you. I said, "No, I'm not in the immigration business, Daisy." Sorry, Maggie. "I want sales. You get me sales and that will be my" - - -
20

Let's just deal with it in parts, then.---All right.

The offer that was presented to you by Ms Wang involved a cash payment, I think you agreed this morning?---Yes.

Which you thought might have been around \$30,000 but you couldn't exactly remember what it was.---Yep. Yes.

30 And also would involve an advance for or reimbursement of the wages that would be paid to the visa applicant, is that right?---That was the suggestion.

That was the suggested scheme.---Yes.

40 And are you saying you knocked that back but instead suggested a separate scheme which would involve you providing the same assistance that Maggie had in mind, signing the forms, lying to the Immigration Department, et cetera, but instead of getting a lump-sum cash payment and reimbursement of wages, there would be an assurance that sufficient number of wine sales would go through the books. Is that right?---That's correct. That's how I understood it.

And that latter form of proposal is what in fact happened.---Yes.

You had Daisy on your books for a period of time.---Yes.

I think you said eight or nine months, something like that?---Yes.

You paid her wages through the books for that eight- or nine-month period of time. Is that right?---That's correct.

And you're saying you didn't get specific reimbursement back in relation to those wages. Is that right?---No.

But you did get, through her, quite a number of sales.---Yes.

10 So you ended up being in front at the end of the day. Is that right?---Yes.

And then in term of the wine sales that you can identify specifically - - -?
---Yes.

- - - by reference to Ms Li or at least Ms Li's family, whenabouts did those sales take place? There was a \$52,000 or thereabouts one?---December 2014.

20 December 2014.---And then there was another December 2015, sorry, December 2013 and December 2014 it must have been.

December 2013 and December 2014.---It's on my MYOB, please forgive me if the dates, if I've got that confused, but it's definitely sales, there's contracts, there's documentation to support it, there's shipping notes, all the stuff that is required to identify and the money's gone into the bank account.

Can we go back please to Exhibit 203 and page 120, volume 19. Just while that's coming up. You referred in answer to a question that the Commissioner asked you about a \$5,000 payment - - -?---Yes.

30 - - - in cash from Ms Wang?---Yes, I think it was more Daisy's mum. They were there and I remember, Maggie gave it to me but I think, well, it would have come from Daisy's mum.

Maggie physically gave you it?---I think so.

Can you recall in what form? Was it in an envelope or a bag or something like that?---Oh envelope.

40 And can you remember what denomination the notes were in.---No, sorry.

Were they a mixture of denominations or were they fifties, hundreds.
---Fifties I think.

And so that happened after it became clear to you that Ms Li was not going to be turning up in the flesh - - -?---Exactly.

- - - on a day-to-day basis.---Exactly.

But why did you care when the whole purpose of the exercise was for you to open doors into China, which is something that you didn't need a human in Wagga in order to achieve that objective?---Well, I mean, I thought it was going to be a legitimate case where I'd have this person working for me and working for us and also opening the markets in China so, it just didn't gel, just didn't sit with me that she wouldn't just not turn up. So, I was unhappy about that.

10 You never thought she was going to turn up as an accountant presumably?
---No, but I was hoping she'd turn up as marketing.

You'd at least hope she'd turn up as something?---Marketing – because that's what I wanted. But, see, Daisy said it doesn't matter, don't worry about the accountant caper, she said, this happens all the time - - -

20 THE COMMISSIONER: Daisy or Maggie?---Oh, sorry, Maggie, I'm sorry. I'm getting confused. This happens all the time, in actual fact, they're just tightening the laws now about the immigration because it was a rort, that people were coming in from overseas - - -

Sorry, is this what Maggie's saying to you or is this - - -?---Yes, Maggie is saying that people are coming in from overseas and it's pretty easy to do. Don't be concerned that we've got the wrong employment description. I said, I want her for marketing, there's nothing about accountant. I don't want an accountant, I want her for marketing. And she said that will happen over in China and mostly with her mother and father, who've got a long of contacts. And I accepted that.

30 MR ROBERTSON: You'd have to agree, wouldn't you, at least at that time, it looked a little bit suspicious?---Yeah.

That suggestion that you would be filling out documents you're going to employ an accountant and have someone who is not going to be employed as an accountant?---Yeah, she had an immigration business and she's assuring me all the time that this is all legal and above board, you know.

Legal and above board to employ a marketer and call them an accountant?
---Yes.

40 You didn't really believe that though, did you?---Well, it's suss, I must admit it was suss, but like I said, probably in the situation I was in, they had given me an order, or promised and I'm thinking, "Oh, well."

You saw some dollar signs and then you decided to - - -?---Yeah, I did. Yeah, it was the wrong thing, I admit that now. It was the wrong thing to do. But I did it and I really regret it.

THE COMMISSIONER: But it achieved a goal you'd been pursuing unsuccessfully since 2004.---Oh, yeah, yeah. And really, I've got the, the future in front of me as long as this Chinese/Australia war doesn't explode into tariffs and whatever, can spoil the whole show, but anyhow.

Mr McCormick, so you said you paid Daisy's wages into her nominated bank account for about nine months. What led you finally to stop doing that?---She left.

10 Left. She never arrived, so - - -?---No, no, no. She, she left Australia, I – well, Maggie said she got married and moved to the United States.

MR ROBERTSON: But what gave you the licence, as it were, to stop pretending that she was an employee and in effect take her off the books and treat her as if she was there but had then left?---I didn't even think of that.

But what I'm trying to understand is, you're pretending that she's a full-time employee and you're paying her as if she is.---Ah hmm, yep.

20 And you're doing that not just for a fortnight or a month or two months or three months?---Oh no. Maggie, Maggie told me that, "You can stop now." She, she either got her, what she wanted or she'd left Australia, something like that.

So Maggie in effect said, "Right, you've been doing that for long enough. You can now in effect take her off the books"?---Yeah, finish. Yeah, yeah. It was done at Maggie's direction. I can assure you that.

30 Page 120, volume 19, Exhibit 203, please. Here's another document, Appropriate References to the Australian Government's Job Outlook. Do you see that there?---Yes.

Did you prepare this or did someone else prepare this?---No, no. I didn't prepare that.

And then turning the page. Do you see there's another signature that looks remarkably like that one that I've already shown you?---Yeah. I didn't see any of this.

40 You're pretty sure that you didn't see this document that I'm now showing you?---Yep.

Now, we turn the page. Now, I take it Adams Kenneally White are your accountants?---Yes.

And so I take it that you provided this document that could then be provided to the Immigration Department?---Yes, yes.

Did you provide it to Ms Wang or did you provide it to someone else, do you remember?---Ms Wang.

Did Ms Wang say anything to you about the necessity to advertise the supposed accountant's job before it could be the subject of an application to the Immigration Department?---I didn't advertise it.

10 No, but did she say anything to you about whether or not there was a requirement that that be done?---I probably, she probably did, I don't know. I - - -

She might or she might not have, you don't recall one way or the other? ---Yeah, I don't recall that.

But it's at least clear in your mind that you didn't advertise for an accountant position?---No, I didn't advertise.

20 Do you recall whether you authorised Ms Wang or anyone else to prepare an ad in relation to that accountant at your business?---No, I don't. It doesn't stick out, I can't recall.

Well, let's have a look at page 123 of Exhibit 203, also volume 19. Do you see there what appears to be an ad for a bilingual accountant, fluent in Chinese and English. Do you see that there?---Never seen that. I've never seen that.

30 Well, have a look at the very bottom. See it says, "If you are interested in this fantastic opportunity and want to join our team, please apply and email your CV to cottontails2@bigpond.com." See that there?---Yeah, that's the email for the, that was the email or I suppose it still is but we use a different email now. It's - - -

So that was an email address that was used- - -?---Yeah, yeah, that was an email address.

- - - on connection with Cottontails? Is that right?---Yes, yes.

40 And do you recall receiving any job applications for that particular email address?---No.

Did Ms Wang give you any advice as to what you should do in the event that you did receive any job applications?---No. I, I don't recall this.

Just have a look at the first paragraph that starts with, "Our company." Do you see that there?---Yes.

Just read that paragraph to yourself, just the two sentences, finishing with, "150 guests," and let me know when you have.---Yeah, no, I've never seen this.

But would you at least agree that that summarises it, at least in general terms, your Cottontails business, restaurant, winery, function centres, et cetera?---Yeah. Well, I mean, that information's on our website.

10 Quite. So do you have a recollection as to whether or not you provided that information to Ms Wang?---No.

Sorry, you need to answer out aloud.---Sorry. No.

Then go to the next page, please, page 124. Do you see there a document called Application for Employer Nomination for Permanent Employment? ---Yes.

And have you seen this document before?---No.

20 Do you recall ever signing a document that authorised Ms Wang or perhaps Ms Monika Hao to submit documents for the Department of Immigration on your behalf?---Well, I must have, if they – well, sorry, if they've submitted the documentations, they must have had my signature, but whether or not I signed it, I don't know.

But you don't have a specific recollection of signing an authorisation for that purpose?---No. No.

30 Do you recall whether you were asked by Ms Wang or anyone else to confirm that you were happy for them to respond to the Department of Immigration and to submit the material that appears on this form?---No.

You didn't, or you don't recall one way or the other?---I didn't.

So is it right, then, that you weren't presented with, say, a draft of the form that we can see on the page, and told whether you agree to say the things to the Immigration Department that we can see on the screen?---No, I, I can't recall that. I don't think that I did.

40 And then I'll just draw your attention to a particular aspect of the document, page 130 of that exhibit. Do you see there there's a section called ENS/RSMS Declarations, do you see that there?---Yep.

Do you see that it says, one of the declarations is, "Will provide full-time employment for the visa applicant for at least two years"? Do you see that there?---Yep.

Do you agree that it was no part of your agreement with either Ms Wang or with Ms Li that you would provide full-time employment to Daisy for at least two years?---Yes.

That wasn't part of the agreement, do you agree?---No, it wasn't.

And were you told by Ms Wang or anyone else that the resulting visa may be cancelled if the holder does not commence work within six months or does not continue in the nominated position for at least two years?---No.

10

Can we go back two pages? I'll just draw one other matter to attention. See where it says Employment and Training Details, and then the heading of Employment?---(No Audible Reply)

Is the information that's given under that heading, was that accurate as at July of 2013, when this document appears to have been submitted?---So seven full-time staff? Is that what it's saying?

20

It doesn't say "full-time," it says "seven Australian employees and one foreign employee."---Yeah, that would have been, that would have been close to it, with the casuals and the permanents.

And then what about underneath the heading Training? Professionals, three tradespersons, one recent Australian university graduate, one apprentice? ---No, that's not, that's not accurate.

So do you recall whether you gave Ms Wang or anyone else information in order to populate this particular form?---No, I didn't.

30

Is that another example of something you left to her to fill out, as it were? ---Yeah, I've never seen that document. Or I don't think I have, anyhow.

You haven't seen either that document looking like this, or some other draft, or some other similar document asking the same questions, is that right? ---Yep.

40

Can we just go back two further pages, to page 126? Do you see there there's a reference to Ausky Visa Solutions, and a person by the name of Yeuming, that's Y-u-e-m-i-n-g, Hao, H-a-o? Do you see that there?---Yes.

Do you know who Yeuming Hao is?---I haven't got a clue.

Have you ever met such a person?---No.

Have you ever met a Monika Hao, H-a-o?---Not to my knowledge. I may have. But I, I can't recall in what circumstances.

But you can see here there's a person by the name of Yeuming Hao who's suggesting that she is your migration agent.---Yeah.

Or at least your company's migration agent.---Wasn't the case.

Is it possible though that you've signed some form perhaps on Ms Wang's recollection that appointed her as a migration agent for you?---Yeah, yeah, that's a possibility. Yes.

10 Or for your company at least?---Yes.

And you see there's a reference to Ausky Visa Solutions.---Yes.

What's Ausky Visa Solutions?---I don't know.

Now, are you aware that in order to obtain the visa that was ultimately obtained for Daisy, it was necessary for a certification to be given by a, what you'd describe as a regional certifying body. Are you aware of that?---No.

20

Do you recall whether you had any involvement in obtaining that certification?---I can't recall, I'm sorry.

And if we can go to page 132. And I'm just going to show you a nomination that was in fact provided. Have you seen the document that's on the screen before?---No.

And we'll just turn the page. What about this document?---No.

30 Turn the page again. I'll just draw your attention to the declaration. "The nominated person cannot," look at the second dot point, "The nominated person cannot be filled by an Australian citizen or Australian permanent resident who is living in the same local area as the nominated position." Do you see that there?---Yes.

Were you aware that that was one of the requirements of the particular visa that Ms Wang was referring to, being the Regional Sponsored Migration Scheme visa?---No. No.

40 And then go to page 137. And have you seen this document before?---I've never seen that.

Do you recall whether you gave any input to such a document application for certification of the position under the Regional Sponsored Migration Scheme?---No.

We'll just turn the page so you can see the whole document. You'll see Ms Monika Yeuming Hao is signing that document on behalf of Cottontails.
---Yep, I've never seen that.

But you haven't seen that before?---Never.

You weren't provided with a copy of that document, for example, for your file?---No.

10 Can we then go to page 148. See there, described as "role/profile – accountant"? See that there?---Yep.

Is this a document you've seen before?---No.

So far as you can recall, did you provide any input into this document?
---No.

And, of course, you weren't after an accountant anyway, were you?---No, I wasn't.

20

Go to page 170. And here's what appears to be another ad, "Bilingual accountant wanted!!" Have you seen this ad before?---Never.

Turn the page. See again your cottontails2@bigpond.com email address down the bottom? See that there?---Yep.

But that doesn't refresh your memory that you've seen this document before?---Never. I haven't seen that document. I'm positive I've never seen it.

30

And then if we go to page 174, just to close it off. And then we'll just turn the page. Again, another ad but with similar text, but on a different website. Again, I take it you haven't seen this document as well?---No. No.

So that's another example of something left to Ms Wang or at least Ms Wang's side - - -?---Correct.

- - - in order to take care of. Now, when did you first become aware that Daisy Li had had a visa granted to her?---Well, when, when, when it came through in April, I thought it was, when - - -

40

April of what year?---2014.

So just to help you with your bearings, the visa application itself was made in August of 2013.---Oh, yeah.

So does that help you in recalling when - - -?---In August 2013.

- - - you first found out that the visa application was granted?---No. I thought it was in April 2014 that she had approval to work.

So your understand was April of 2014 was when she was, in effect, available to work?---Yeah.

After you made the – sorry, withdraw that. After the visa application was made, do you recall when you next had communications with Ms Wang regarding Ms Li’s visa application?---No, I don’t.

10

Well, do you recall whether you’d met Ms Wang towards the end of 2013? ---Yeah, I did.

And what was the context in which you had that meeting?---She came with her mother. In, in December of 2013, had the discussion, had a look at the unit, spoke about the role. And that’s when they told me they’d have the order, they’d have the 51,000 order early in the new year, and invited me to go to Yantai. And I thought, oh, this is all happening. Like, you know, this is great.

20

So that was in December of 2013, is that right?---Yes.

Do you have a recollection of meeting Ms Wang in or near Campbelltown in about November of 2013?---No, I, no, I don’t.

Let me try and help you this way. Can we go back to volume 23, page 158. Just while that’s coming up, \$52,000 worth of wine. Roughly speaking, how many bottles or cases or pallets is that?---I’m giving away trade secrets here. You could see me do the numbers and then they’ll know how much to charge.

30

Well - - -?---Five pallets.

Five pallets.---Might have been five and a half.

And that’s how many bottles, roughly?---Three and a half thousand.

So if you have a look towards the top of the – in fact, we’ll go back one. We’ll go back one page. If you have a look to page 338. So now we’re in November of 2013. Ms Wang is sending you a message to keep you updated.---Which one?

40

“Daisy’s happy to” – see number 338?---Oh, yeah. Yes.

“Daisy is happy to start with you right after her exam in January.” See that there? So is it consistent with your recollection that, as at November of 2013, you expected Daisy to start with you in about January of 2014? ---Yep.

And then she was going to go to China and do some marketing for you, would that be fair?---That's right, yeah.

So - - -?---And that's where we met, over in China in February 2014. Through the mother.

But if you have a look at 339 - - -?---Yes.

10 - - - "Okay, that sounds good. I can meet you next Tuesday on the highway near Campbelltown." Do you see that there?---(No Audible Reply)

Sorry, you have to answer out aloud.---Sorry. Yes, I can see that.

So does that refresh your memory about a meeting in about November of 2013, perhaps in or perhaps near Campbelltown?---I don't know what it would have been for.

20 Well, do you have a recollection of such a meeting - - -?---No.

- - - or you don't now recall?---No.

Let's turn the page, see if this will help you. There's a series of messages where arrangements and the like are being organised, the detail of which doesn't particularly matter. But if you have a look at 345. You're then making arrangements.---Yep.

30 So does that now refresh your memory of such a meeting?---No, it, I'm sorry, it doesn't. I can't, I can't recall this.

Well, let's go a little bit further. If we go, please, to the day. We'll go to page 161. Or at least the day before.

Page 161, volume 23. Exhibit 203. Have a look at item 377, this is Ms Wang messaging you seemingly in advance of the Campbelltown meeting, "Would you be able to bring a list of your wine and pricing tomorrow. I'll see if I can find some buyers for you." Do you see that there?---Mmm.

40 So was your relationship with Ms Wang purely on what I might call is the immigration side, or was it broader than that in the sense that Ms Wang might be able to provide you some assistance in relation to finding buyers? ---Yes, she might have but she never did. She never, ever introduced me to anyone that I can recall. I mean, we're talking eight years ago. I can't remember what happened eight days ago let - - -

I appreciate it's some time ago but really what I'm asking is whether any of this jog your recollection as to why - - -?---No, it doesn't.

- - - you'd be meeting Ms Wang in around Campbelltown in November 2013?---No, unless I was taking some material for Daisy.

Well, except one of the things she's asking for, it seems, is a list of wine and pricing tomorrow as well. So that's what it looks like in this message, but I might be wrong, it looks like in this message that Ms Wang is offering to do more than just the immigration stuff but also to assist you trying to find some buyers. Is that right?---It does look that way.

10 Do you have any recollection as to whether Ms Wang, in fact, provided assistance in that area?---Well, I never ever got anyone that, like I never got any sales from it. She might have wanted to help us or whatever or help me open up.

But you have no recollection of this meeting at all?---No I don't.

It's a bit of a strange thing to meet someone off the highway in Campbelltown. Is it something that you recall – and I know it's some number of years ago, it's about seven years ago – but you have some
20 recollection of having such a meeting - - -?---No, I don't.

- - - in or around Campbelltown?---I can't recall that.

Now, we saw a message a little while ago suggesting that Daisy might be in a position to start in January 2014. What then happened? Did Daisy actually at least notionally start in around January 2014?---No, I thought it was April.

30 So do you recall whether there was any delay or anything like that in relation to when she was going to start?---Well she was over in, she was overseas at Yantai.

Well, you remember the message I showed you said, she might be able to start in January after she's finished her exams?---Yeah, but that didn't occur.

And so your recollection is that in terms of being on the books, that happened in about April or thereabouts?---From my memory I think that was around about the period.
40

And so as at April or thereabouts, you were expecting her to turn up in the flesh and start working?---Yes, yes.

Not as an accountant but as someone who might be able to assist in wine sales overseas. Is that right?---Yes, yes.

And you started to explain very early today, and I partially cut you off, that when she didn't turn up that you were pretty annoyed about that?---Yes.

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

Do I take it that you were expecting her to turn up say on a Monday morning, and she doesn't turn up and at all and that then leads you to make a call? Or did you find out in advance from Ms Wang or from someone else that she wasn't going to turn up?---I don't know, I couldn't say, it was conveyed to me that she wouldn't come.

10 Conveyed to you by who?---Maggie.

And what did you say in response to that conveyance?---Well, I wasn't happy, I just said, "This is all this time and effort to get this to happen and now you're telling me after an appointment that she's not coming. What's going on?" She said, "Oh don't worry about it, we'll work it out." That's when they spoke to me about she doesn't speak very good English, she knows no one around Wagga, all her friends and also contacts are in Sydney and the work's going to be done over in China, so there's no point in her coming. And I guess with self-isolation as it is now, in hindsight it was probably a proper suggestion. There was no need for her to come.

But for the fact that the coming may have been a requirement of the visa that you had sign up for?---Exactly, exactly, I needed, you know, and then if people turn up from Immigration and say, "Well, where's your staff member?" "Oh, she's not here." "Well, where is she?" "Oh, she hadn't come." Like, you know, that's, I didn't want that sort of, to, to do that sort of explanation.

Well, did Ms Wang give you any advice as to what you should do in the event that that occurred?---I think, you know, she was saying things like, "Oh, she's not here," or "She's in China," or "She's gone on holidays," or, you know, making some lame excuse. And I said, "Well, what are you talking about? She's only just started work. Why would she be on holidays?"

Now, when did that conversation take place that you've just now referred to, the idea about saying that the person was on holidays or whatever?---After she's not coming.

40 So at some point in time, around about the time when you were expecting Daisy to turn up to work, Ms Wang tells you that that's not going to happen, correct?---Yes. Yes.

You expressed your displeasure in relation to that, correct?---Correct.

And are you saying as part of that conversation, you expressed concern about what would happen if Immigration turned up?---Yes.

And is this right, Ms Wang explained to you that if that happened, one of the things you might do is say, "Well, she's on holidays now"?---Yeah. She just started.

And I take it from your response you weren't particularly happy with that response?---No, I wasn't.

And was that the context in which the \$5,000 payment you told the Commissioner about arose?---Yeah, I think it was to shut me up.

10

So when did – so did that happen around that point in time, did it?---Yes.

But the conversation with Ms Wang when she tells you that Daisy's not turning up, did that happen in person, or by telephone, or in what form?---I think it was in person.

In person where?---In Wagga.

20 So are you saying at some point in April, you have a recollection of Ms Wang attending upon you in Wagga?---Around that period.

It could be early April, would that be about right?---Yeah.

And who else was present at the time of that meeting, other than you and Ms Wang?---Gee, you're testing me. I thought her mother came back. I thought Daisy's mum came back.

30 So it's possible that there was Ms Wang, not Daisy, Ms Li's - - -?---Well, Daisy could have been there too, I, I just, you know, I don't, I remember the, the, the fact that I got informed, but exactly when I got informed, I couldn't say.

But presumably Daisy couldn't be at that meeting, because the meeting was, as I understood your evidence, the meeting to tell you that Daisy wasn't turning up.---Yeah.

So we've got Ms Wang, we've got you. Do you have any recollection of anyone else being present at that meeting?---No.

40 And so you're complaining about what happened, and Ms Wang offers you \$5,000 in effect, to use your term, to shut you up.---Yep.

You take that money?---Yes.

What did you do with the money?---I banked it.

Did it go through the books of your organisation?---Yes, but I didn't bank it in one lot, I don't think, from memory. I could have, but I may not have.

So what did you treat that money as, in terms of your accounts?---Income from the restaurant.

You've participated in a recorded interview with an officer of the Commission some time ago, is that right?---Yes.

10 You told the officer of the Commission that you haven't paid any money to anyone or received any payments. Do you remember saying that?---Yes.

That was a lie, wasn't it?---That's correct.

You knew it was a lie at the time, didn't you?---That's correct.

You lied because you were concerned that the truth might implicate you, is that right?---That's correct.

Have you been telling the truth today?---Yes.

20 Why did you lie to the Commission officers in the past but you've decided to tell the truth today?---Well, I didn't realise that this was a, really a, such a large scam. And I don't get involved in that sort of stuff. Like, it's, you know, I was working on the premise that Maggie was looking after my interests and, you know, like, trying to assist me, when really it was something that she was doing for herself, and I happened to be a pawn in the thing and that, I thought, hang on, this is getting too big for me.

30 But you knew it was a bit of a scam, didn't you? It was at least a scam in that it involved lying to immigration authorities.---That's true, but she was going to turn up. Like, you know, there's a hell of a lot of difference. She didn't even front. And that's, you know, that's completely, in my respect, that's taking it too far. You know, it's all right to say on the form that she's going to be an accountant, but when she's really marketing, in the whole scheme of things, is that, you know, is that important, because I was not after an accountant, and Maggie knew that. I was after a marketing person.

40 And so, what, you were concerned that fessing up to the \$5,000 payment might put you in the scam deeper than what you might otherwise have been?---That's correct.

In November of 2013, I was asking about what appears to be the Campbelltown meeting, what cause would have you had to meet Ms Wang in person in November of 2013?---I don't know.

Well, why couldn't you have just, if you needed to speak to her or send her a wine list, why couldn't you have just dealt with that electronically?---Oh, I don't know. I don't know what it was about.

Can I try and help you this way. The visa for Daisy was in fact granted in October of 2013.---Right.

And you're then meeting Ms Wang, it seems, within a few weeks of that in fact occurring. Does that help you in identifying - - -?---She might have been giving me the document, some of the documentation like the letter of appointment and that.

10 Yes, but that could have been emailed to you. Were you handed any cash during the course of the meeting in November of 2013?---No.

Are you quite sure about that?---Well, I didn't get any.

Other than the \$5,000 payment in cash and the benefit by way of the wine sales that you've talked about, did you receive any other cash in relation to, or other money in relation to the immigration scheme?---I, when I attended Yantai, Daisy's mother gave me 10,000 RMB, which is about two grand, for expenses and, you know, personal expenses and things like that, which I spent on personal effects in China. Then on the second trip, when I went in
20 August 2014, she gave me another 10,000 RMB, which is sitting in my safe at home. I haven't spent it.

And is that the universe of payments?---Sorry?

Is that the whole universe of payments, that's all the payments you got?
---Yes.

30 You deny receiving anything by way of reimbursement for the wages paid out to Ms Li?---Well, I got that payment which I sent to her, an email, to see if it was fair dinkum and she went, went off the brain.

Sorry, which payment are you now referring to?

THE COMMISSIONER: The \$5,000?---The 5,000.

MR ROBERTSON: But other than that \$5,000 - - -?---No, not that I recall.

40 Moneys going out by way of a fortnightly salary to this individual, you're not getting it back by way reimbursement, is that what you're saying?
---Yes.

And other than the \$5,000 and the other amounts in renminbi that you referred to, you didn't receive any other payments in connection with this immigration matter, is that right?---Not that I recall.

When is the last time you saw Ms Wang, by the way, or had any other communications with Ms Wang?---When this erupted, I said to her, I got in touch with her. I said, "What the hell's going on?"

When you say when this erupted, when do you mean?---When the, this thing, when was this announced, you know, the ICAC - - -

Do you mean the public inquiry being announced a few weeks ago, is that what you mean, or do you mean an earlier period than that?---No, no. An earlier period than that. It would have been 12 months ago.

10 THE COMMISSIONER: You mean before you were interviewed by Commission officers?---Yeah. I don't know if it was before or after. I, because she told me that there would be no hassles with this, the way that this was operating and I thought, "Well, hello. No problem? They're going to have an investigation into it." Pretty serious.

MR ROBERTSON: Well, let's try and fix this by reference to time. The interview that you had at your premises with some Commission officers was on the 31st of October, 2018, so about two years ago.---Yeah.

20 Does that help you fix when you might have had a discussion with Ms Wang?---Yeah. That would have been around the, after that.

So, you obviously knew in advance that you were going to have an interview with Commission officers?---Yep.

That had been arranged in advance before they attended, is that right? ---Yep.

30 To be clear, the Commission officers made it clear to you at the start of the interview that giving false or misleading information to them would be an offence, correct?---Yes.

And you understood that at the time that you were giving your evidence in the recorded interview, correct?---Yes. Yes.

But despite that you decided to lie to the Commission officers, correct? ---Yes.

40 In terms of your discussion with Ms Wang, did that happen before or after your interview with the Commission officers?---I can't remember.

But it was at least around about the time of that interview?---Yep.

Well, presumably it was before. You were saying to Ms Wang, "I've been asked to speak to these ICAC officers, what the hell is going on?" Is that - - -?---I don't know.

But you do have a recollection of having a conversation with Ms Wang? ---Yeah.

And what occurred during that conversation?---Well, I asked her about this, the visa, you know, what's going on.

And what did she say?---She said, "Oh, it's all, it's all legal. It's part of the (not transcribable)." I said, "Yeah, but she never turned up." She said, "Yeah, doesn't matter. It's okay under that, under that visa. I handle all the paperwork for, you know, the, the applications."

- 10 But you must have known something might have been awry because, during the course of the interview in October 2018, you decided to lie about certain things to the Commission officers.---Yeah, well, I didn't want to admit that I'd done the wrong thing, okay? It wasn't meant other than, you know, I'd done the wrong thing, which I, I realised I had.

- 20 What else did Ms Wang say during the course of that conversation that you've just referred to?---Nothing. It was, you know, "What, what happened there?" "Don't worry, Gerry. It's okay. It's under that, under that visa or under that migration scheme," or whatever it was. She didn't have to come and they only changed the laws a bit later that they had to attend, because, you know, people were using this immigration to bring people in from China and all around the world, as such.

So you have a recollection of her saying something like, "She," which was a reference to Daisy, "didn't have to come"?---Yep.

And, what, that there was a change in the law requiring them to actually go. Is that - - -?---Yeah.

- 30 That was something that was communicated during the conversation, is that right?---Yes.

Anything else you can recall being communicated during that conversation?---No.

Have you, after that conversation, have you any other communications with Ms Wang - - -?---Never.

- 40 - - - be it by telephone - - -?---Never.

- - - email, et cetera, et cetera? That's the last time there's been any communication?---Yep.

And so far as you know, there's been no attempts from Ms Wang's side, leaving you a message, sending you an email, anything of that kind?---Yes.

Is that right? What about Mr Maguire? When's the last time you've had any communications with Mr Maguire?---Around the same period. I asked him the same question, "What's going on?"

And what did Mr Maguire say?---He just said, "They're going to have an inquiry and make sure you tell the truth."

This was around the time of your interview with the officers of the Commission?---After, I'd say.

10

How long after?---Well, around the same period of, that - - -

Around the same period of the conversation with Ms Wang?---Yeah.

So somewhere around 2018, something like that?---As far as I can recall, it was, I thought it was December.

Of 2018?---Mmm.

20

But you have a recollection of Mr Maguire saying something about an inquiry, do you?---Oh, words to that effect, yeah.

And that wasn't something that was said recently, as in, for example, this year?---No.

Or perhaps late last year. It was something that occurred something like a couple of years ago, is that your best recollection?---I, that's what I can't remember, whether it was December last year or December the year before.

30

Now, why did you speak to Mr Maguire about this issue?---Well, he was involved in - - -

Well, how was he involved? I understood your evidence earlier today to be that Mr Maguire wasn't really involved in this immigration thing at all, as you understood it.---No, no.

It was Ms Wang.---It was more this thing about him accepting commissions and stuff, and I said, well, you, like, I've never, ever, ever had any dealings with you where there's ever been any suggestion of money.

40

But what I'm trying to understand is why would you speak in or about 2018? October 2018, perhaps November, perhaps December. You know at that point in time that the Commission is interested in the immigration matter.---Yes.

Why are you making contact with Mr Maguire in circumstances where I thought your evidence was Mr Maguire didn't really have anything to do with the immigration stuff.---Yeah, but I knew him, I mean, and his name

come up, and I knew him well enough to talk to him. So I said, you know, “What’s going on? What’s happening?”

So when you say his name came up, you’re referring to the fact that Mr Maguire’s name was uttered by Commission officers during the course of the interview?---Yeah. Yeah. And, as I said, I’d never ever once made payment or been asked for payment to Daryl or – like, it was just beyond belief in some respects.

10 And so you gave him a call, as it were, and said - - -?---Yeah.

- - - look, “What’s all this about?”---What’s going on?

“I’ve been asked questions in connection with an investigation into you. What the hell’s going on?”---Yeah.

Something like that.---And, I mean, I had mates and that around town that are saying, “What’s going on? Your mate’s up for, you know, under investigation or whatever, for corruption or something.” I said, “I don’t
20 know.” It was more an interesting from that, you know. But I, as I said, I can repeat, I never, ever received a payment or been asked to pay anything from him or whatever. There’s never been that suggestion.

Do you recall anything else Mr Maguire said to you during the course of the conversation that you’re now relaying?---“Tell the truth.”

Is that the last time you’ve had any communications with Mr Maguire?
---Yes.

30 Be that by email, telephone, text message, et cetera, et cetera?---Yep.

So your best recollection is the last time there was communications was towards the end of 2018, after you’d had your interview with the, with officers of this Commission, is that right?---Yeah. As I said, I don’t know if it was last year or the year before, but I know it was around Christmas time.

Well, was it near to the time where you had the interview or was it some time after that, do you remember?---I can’t remember.

40 I think, doing the best you can, but don’t let me put words in your mouth, but doing the best you can, it seems like it was soon after the interview with the Commission officers that you find out that there’s an investigation going on into Mr Maguire and you call him up saying, “What’s going on?” as it were.---Yep.

In terms of the wine sales, you referred to the larger wine sales towards, I think, the end of 2013 or perhaps January of 2014, that were arranged through Daisy’s family, is that right?---Yes.

And were there any other sales that you can identify as being directly organised by either Daisy or her family?---Yeah, well, there was one in December of the next year.

And do you happen to recall who the counterparty was? In fact, in other words, who the purchaser was in relation to that sale?---They put it through a trading company in the free-trade zone near Yantai. I can soon, soon get the, I could get that information.

10

Can I put the sales contract on the screen, please. Do you recognise this sales contract?---Yep.

Is that the one that you were just referring to?---Yes.

So am I right in understanding that Daisy's family had some involvement in procuring this sales contract?---As far as I know.

20

Did Ms Wang have any involvement, to your knowledge, in procuring this sales contract?---No. I, no, I don't think Ms Wang has done any sales for me.

Would you regard any of the information that's on the screen, and noting it's way back in 2014, do you regard any of that as being commercially sensitive? For example, telling the price per bottle, but it's way back six years ago. Just want to ask that in fairness to you?---Well, yeah, I guess, you know, you're disclosing trade secrets.

30

Yes, but it's back in 2014.---Yeah.

And presumably the world's moved on since then.---Yeah.

It's probably not commercially sensitive anymore, would you agree?
---Yeah.

40

Commissioner, I tender the document entitled Sales Contract 3 December, 2014 between Nashvin Pty Ltd, trading as Cottontail Wines, and Tianjin, T-i-a-n-j-i-n, Dongjiang, D-o-n-g-j-i-a-n-g, Free Trade Port Zone International Trade Service Co Limited.

THE COMMISSIONER: That'll be Exhibit 204.

#EXH-204 – SALES CONTRACT 3 DECEMBER, 2014 BETWEEN NASHVIN PTY LTD, TRADING AS COTTONTAIL WINES, AND TIANJIN DONGJIANG FREE TRADE PORT ZONE INTERNATIONAL TRADE SERVICE CO LIMITED

MR ROBERTSON: Any other wine sales you can recall were organised by Daisy or Daisy's family?---Well, there was another lady from Shandong that came out of the blue. I took that as being a reference. And, as I said, the other distributor that I had recently said that Ms Li, you sold some wine to Ms Li. So I took that as the same connection.

So it may have been a connection, although it may have been a bit more of an indirect one, is that the idea?---Yes.

10

Now, I asked you about meeting Ms Wang in November of 2013. That was what I've called the Campbelltown meeting. Do you recall ever meeting her some number of months later, in or around Canberra?---Yes, I think I met with her and David.

David who?---Her husband.

20 What was the context of that meeting? What was the purpose of that meeting?---Oh, well, I was over in Canberra and they were there and we just met. I guess it's more a, a connection. Because I didn't know her husband that well but I found him to be a jolly good guy.

But was it for the purpose of doing business or just, as it were, a social catch-up?---Social.

And then after that point in time, what was your next dealing with Ms Wang, so far as you can recall?---I don't know.

30 THE COMMISSIONER: When was the meeting near Canberra Mr McCormick?---I don't know, I can't remember.

Well, in terms of, when for example you stopped paying Daisy her wages which I think was in 2014, was it the same year, the following year?---No, it would have been before that.

So what, while you were still paying wages to Ms Li?---Yeah, I can't recall the date I'm sorry, I just, I don't remember the Sydney meeting.

40 MR ROBERTSON: Let me help you this way to fix a date. Page 192, volume 23 and look at item 474.

THE COMMISSIONER: Six.

MR ROBERTSON: Sorry, 674. Thank you, Commissioner. "Hi Maggie, just wondering what time you wanted to meet tomorrow in Canberra." Do you see that there?---Yep.

You see that's a message of 8 June, 2014. Do you see that there?---Yep.

Is it consistent with your recollection that the meeting happened during or about 2014?---Yep.

Are you saying that that meeting was only, as it were, a social meeting, it wasn't for the purposes for handing over any cash or handing over any documents?---No, oh, well, it, I mean there was stuff there from time to time where I'd pass on for translation.

10 Why did you need to meet in person in relation to translation?---I don't know.

Why was Ms Wang assisting with translation in circumstances where you had Daisy on the books who I thought - - -?---Well, she'd be passing it on.

Passing what on?---Any information to Daisy. I know I gave Ms Wang information to provide to Daisy.

20 What sort of information? Marketing information and things of that kind?
---Yes, yes.

You didn't have a direct, you're employing this person on your books, you didn't have a direct way of communicating with this individual?---WeChat.

30 What I'm trying to understand is, why would you communicate with Daisy via Maggie in circumstances where Daisy's on the books? Presumably you had a direct form of communication?---Daisy wasn't all that good with her English. I mean, it was more Ching-lish, Chinese-English, and you couldn't really have a conversation with her.

So you're saying Ms Wang was still involved in the communication, as it were - - -?---Yes.

- - - at the time that Daisy was notionally an employee that you were paying even though she wasn't turning up?---Yes, yes.

How many times did you ultimately actually see Daisy in the flesh?---Oh five.

40 And how many times was that in Wagga, was that all five times in Wagga?
---It would be four in Wagga I reckon, it must have bene six, I saw her in China twice.

So your best recollection is four times in Wagga and twice in China?---Yes.

And what did she actually do for you in that eight- or nine-month period in which she was notionally your employee?---Yeah, it was only the translation and then the, you know, the meetings that we had in China where

I went over and saw her family and we went and saw potential clients, I mean, she attended.

But that wasn't really her doing it. That was her family doing it.---Oh well, she was doing it because her mother and her father didn't speak as good English as her, so she needed someone to, you know, communicate.

So in terms of the contacts that you wanted access to, that was her parents rather than her. Is that right?---That's right.

10

And that in effect, was the deal you would get access to her parent's contacts - - -?---Yep.

- - - their daughter would get a visa, correct?---Yes.

Pardon me. Commissioner, would you mind adjourning very briefly? There's just one other matter that I want to check which will just take a couple of minutes before I complete this examination.

20 THE COMMISSIONER: What five minutes?

MR ROBERTSON: Five or 10 minutes, perhaps 10 minutes.

THE COMMISSIONER: 10 minutes. We'll have a short adjournment, Mr McCormick, for 10 minutes.

THE WITNESS: Sure.

30 **SHORT ADJOURNMENT**

[3.20pm]

THE COMMISSIONER: Yes, Mr Robertson.

MR ROBERTSON: Mr McCormick, I just want to go back to your communications during the period of time in which Daisy was on the books, and by the sounds of it, at least some of your communications were still through Ms Wang. Is that right?---Yes.

40 And in what form were those communications done? I think you might have mentioned WeChat, for example, was a method of communication, is that right?---I'm not sure with Maggie.

But at least with Daisy, was WeChat a form of communication with her, was it?---I don't know if I had WeChat then at that stage.

Well, you volunteered the reference to WeChat before we last adjourned. I'm just trying to understand what the context was in which you raised that particular point?---Oh, what, what does it - - -

Before the adjournment I was asking you some questions about communications with Ms Wang and also with Daisy and you said, I think, one of the ways that you communicated was using WeChat. Is that right? ---Yeah but I don't think I was using that with Daisy and Maggie.

10 So who have you used WeChat to communicate with?---Oh, I use it all the time, all the time.

Well, were you using it in 2013 or 2014 with either Ms Wang or with Ms Li?---I don't think so.

So how would you communicate with those individuals then?---Well, Maggie used to come to Wagga fairly regularly, catch up and say g'day and - - -

20 Just explain to me why, during the period of time in which Daisy was on the books, would you communicate with her via Ms Wang rather than just communicating with her directly?---Well, I, I don't think I ever sent her an email.

THE COMMISSIONER: Who?---Daisy.

MR ROBERTSON: She's ostensibly a full-time employee of yours for eight or nine months.---Yep.

30 Are you saying you didn't have any way of contacting her directly?---With a phone, by phone.

So by telephone, that was the only way to communicate with her?---Yeah, well I, I - - -

Even though she was ostensibly a full-time employee of yours?---Yeah, but I don't think I ever got her email because she never started work with me.

40 So she did a few things for you but she didn't start to work for you in any practical sense?---No.

But you continued to pay her as if she was an employee, is that right? ---Yeah. Because I, as I said mentioned to you, I thought there was the influence in Yantai, that I would get the business.

And by the looks of it, that had at least some product or some result at the end of the day?---Yes.

You didn't think to say to the immigration authorities, "Hang on, I've signed up for a an accountant on a full-time basis but the person hasn't turned up"?--No, I didn't. I made that mistake, it was an error.

And that was because the whole nature of the deal was you assist this person to get a visa and in exchange you potentially have access to wine markets in China, is that right?---Yes.

That's the examination, Commissioner.

10

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

MR HARROWELL: No questions.

THE COMMISSIONER: Very well. Mr McCormick, you may leave today but I'm not going to discharge you from your summons. There's a possibility you may be required to attend on another occasions during the public inquiry.---Sure.

20

Very well. You may step down, Mr McCormick.

THE WITNESS WITHDREW

[3.39pm]

THE COMMISSIONER: Anything else today, Mr Robertson?

30

MR ROBERTSON: That's all for today and suggesting adjourning until 10.00am tomorrow.

THE COMMISSIONER: Very well. We'll adjourn until 10.00am tomorrow.

AT 3.40PM THE MATTER WAS ADJOURNED ACCORDINGLY

[3.40pm]