

20 Prior to you being served with a summons to attend before this Commission for a compulsory examination, the first private hearing in August of last year, did you disclose to anyone within government, and I mean that in the broadest possible sense, be that ministerial colleagues, people within the public service, ministerial advisers and the like, on the existence of your close personal relationship with Mr Maguire?---Yes, I did.

To who? Just give me the category first.---Yeah. I advised my chief of staff the day that there was evidence on 13 July, the day that evidence came out that he had potentially done inappropriate things, I advised my chief of staff.

So you're talking about when Mr Maguire attended before this Commission in Operation Dasha, is that right?---Correct, yes.

30 In 2018?---Yes.

And at that point in time Ms Cruickshank was your chief of staff, is that right?---Yes, yes.

Is that the only person you informed within government or were there others?---No that was the only person I informed in government.

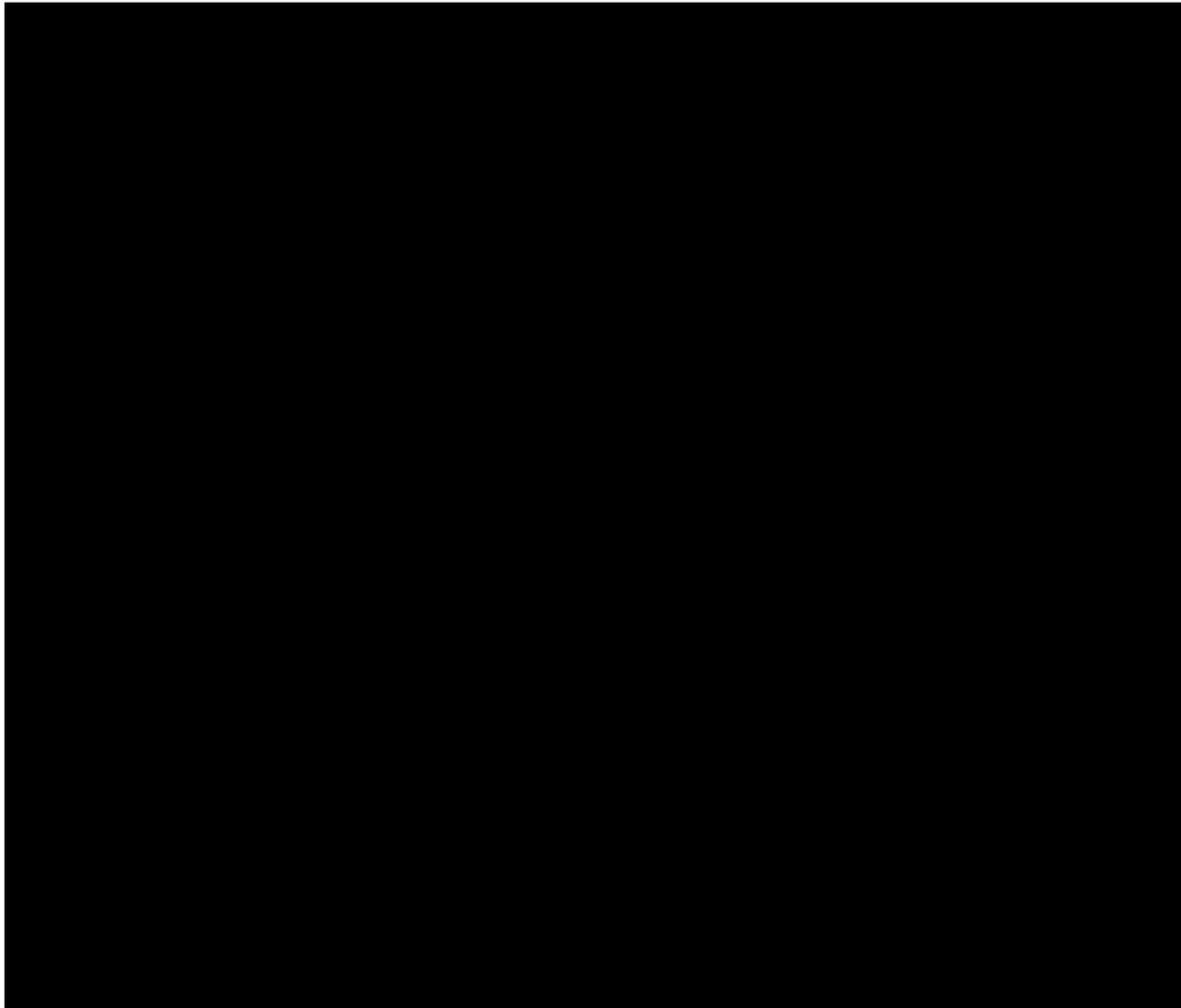
40 And so do we take it then that at least up until the time that you were summoned to appear in the private hearing in this investigation, Operation Keppel, you hadn't informed any of your ministerial colleagues, is that right?---Correct.

And you hadn't informed anyone else within government, using that in the broad sense that I mentioned, other than your chief of staff, Ms Cruickshank?---Correct. Not to my recollection. She was the only person.

THE COMMISSIONER: What was it about that occasion, Ms Berejiklian, which led you to disclose the relationship to Ms Cruickshank?---My absolute shock at what had occurred that day. It, it, it was a shock to the

system that he would be involved in anything like that and I, I was shocked to the core and I, I, I asked her advice and I, and I divulged to her that I didn't know any of what had gone on by that we were close, had been in a close relationship, or close personal relationship, and I, I did that on the day that, that, that information came out because I was just completely shocked as to what had happened.

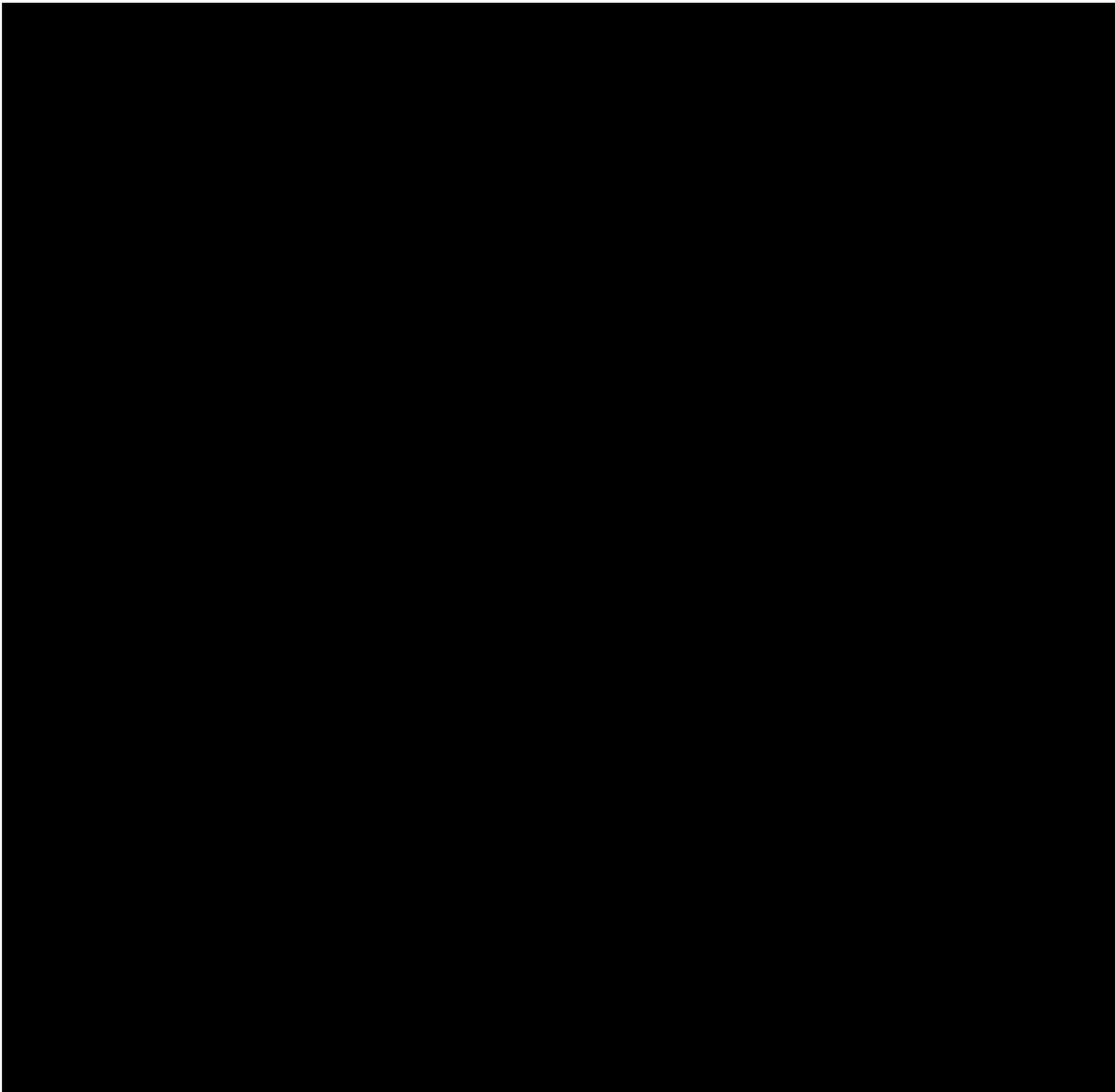
10 And very distressed, I assume?---Oh, overly, beyond distressed because it just shook my world, my, my understanding of who this person was completely blew apart and I, I rang – well, and I sought her advice as to whether I should do anything further and she said, “Let the events take their course.” I, I said, I don't, I confessed to her that I didn't know anything. I said, “Apart from odd things he had mentioned to me, I had never been aware of these matters.” I was extremely distressed and shocked. I sacked him first and then told her, she was the only person I disclosed to and I, I was at a loss as to whether I should proactively say anything. I said, “I don't know anything,” and she said, “Let matters obviously take their course.”

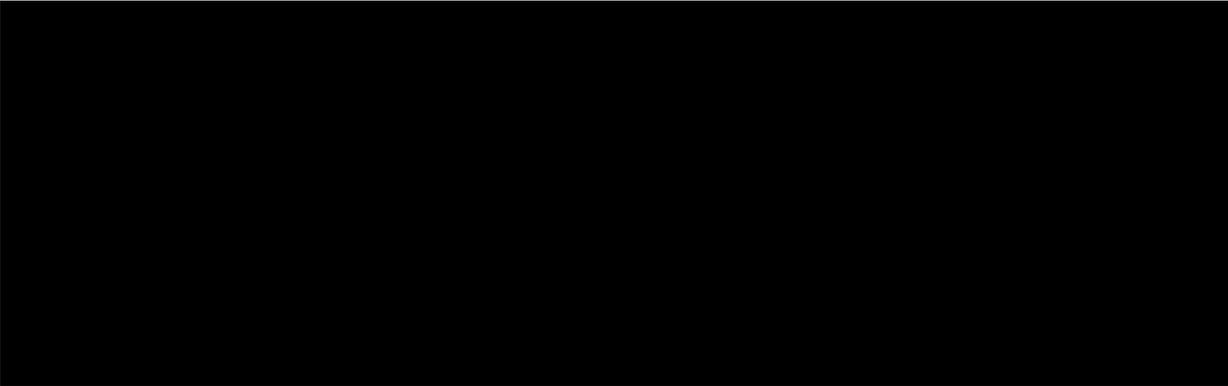


Well, you recall that in both the private hearings and in the public inquiry I played you quite a number of telephone intercepts where Mr Maguire was giving you at least some information about, for example, deals that he was attempting to do and things of that kind. Do you remember hearing multiple of those telephone intercepts that I played to you during the private hearings and the public inquiry?---Indeed.

10 So, do you agree that you were at least aware of the fact that Mr Maguire had at least some relationships, for example, with property developers?
---Yes, although that wasn't unique to colleagues.

You're aware that Mr Maguire was attempting to do various deals with a view to putting himself in a better financial position, correct?---Yes, that was apparent.





10 You heard this morning, and I think it appears on your summons as well,
that this Commission is investigating grant funding that was promised
and/or awarded to the Australian Clay Target Association Incorporated in
2016-2017.---Yes.

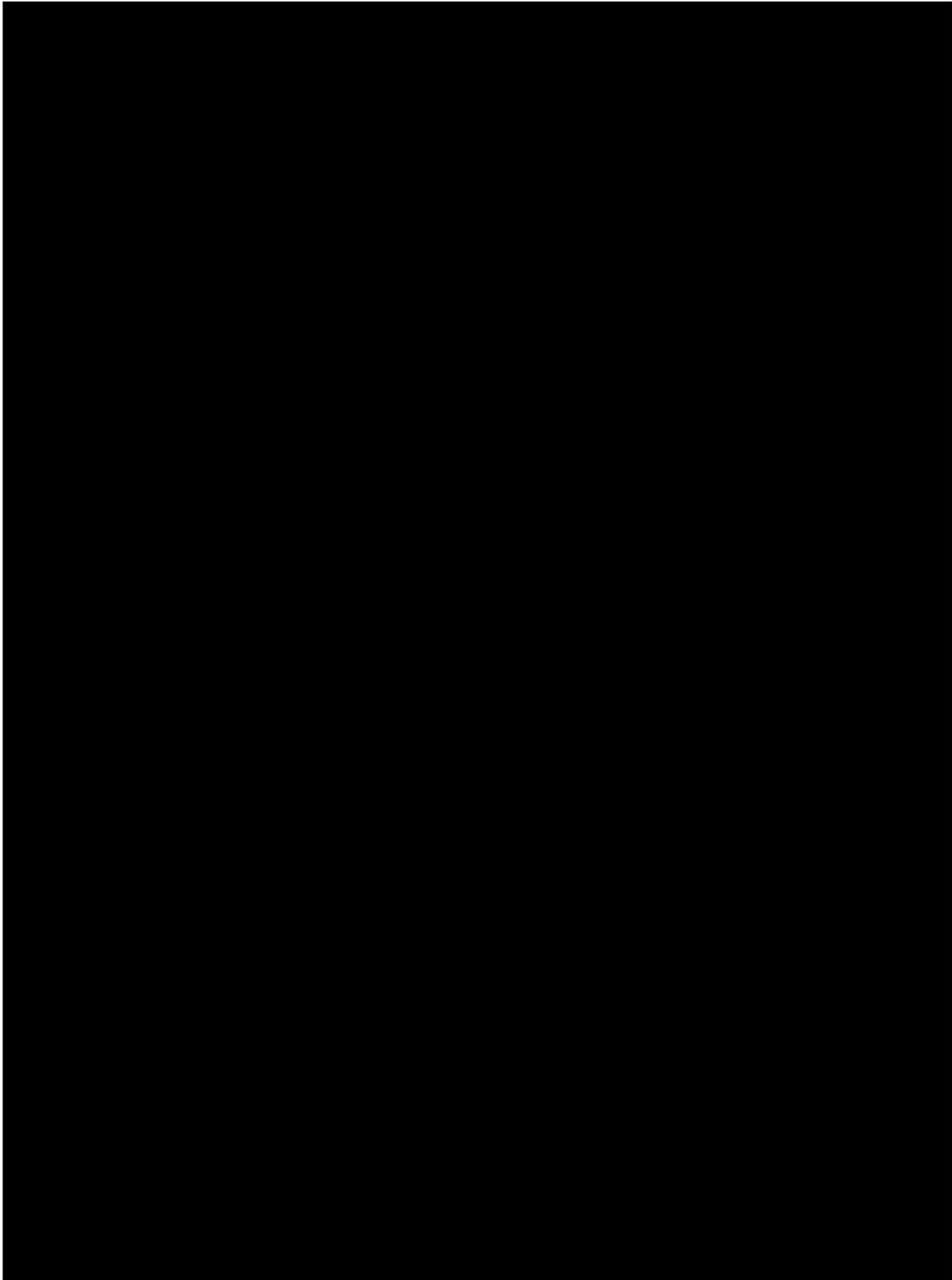
When did you first become aware that the Australian Clay Target
Association was seeking funding from the NSW Government for the
development of new facilities at its site in Wagga Wagga?---I can't recall
the exact time. I only know now from what has been in the media on the
time frames, but I wouldn't have been able to recall independently. But, but
20 from what I read, it was around 2017 mark.

Well, do you at least recall that the, what I'll call the ACTA project was a
project that Mr Maguire supported and sought to achieve?---Yes.



But it's clear in your mind that Mr Maguire was a significant supporter of what I'm calling the ACTA proposal, is that right?---Oh, absolutely, and he made it known to everybody, yes.

He was the principal proponent, at least as you saw it?---As I recall, yes, yes.

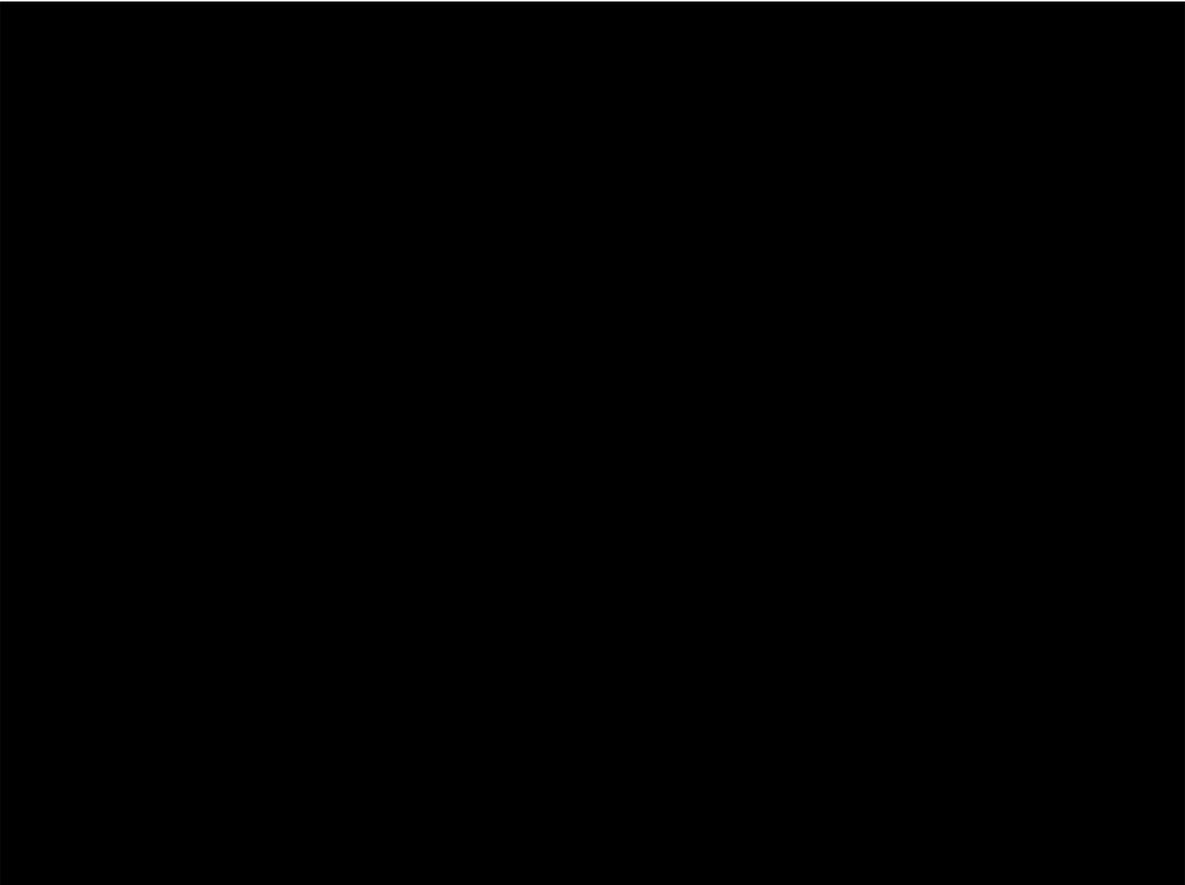


Was a fact that you took into account either in relation to the ACTA proposal or any other proposal that pertained to Wagga Wagga the possibility that approving the particular decision might operate to assist Mr Maguire?---Politically or personally?

10 Either.---Politically it would have assisted him but that's not the reason why, the main reason why I would have considered it. But politically this would have allayed concerns about the Shooters getting a foothold in his electorate or adjoining electorates. So politically I think it was assumed, and I certainly would have assumed, that it would assist him politically and electorally.

If it assisted him politically, wouldn't it also operate to assist him personally? By which I don't – I'm not meaning he ends up with a cut or anything like that, but personally in the sense that it might make him, it might make it easier for him to retire at the next election if he is someone and the Coalition is someone who is given, is someone who has support within the electorate of Wagga Wagga.---No, absolutely not.

20 Well, wouldn't that provide, at least as you saw it, some assistance to Mr Maguire, being a person who is popular in the electorate?---The issue was that the government was considering opportunities to negate the influence of the Shooters and there's no doubt Mr Maguire was a strong advocate for this project and so there would be a strong assumption by all of us that this would benefit him locally, politically because it was a project supported by a large part of his constituency. That was the limit and extent of my understanding and my summation.



And is this right? At least sitting there now, you don't have any recollection of whether the what I'll call the Riverina Conservatorium project had been before either the Cabinet or a committee of Cabinet by 1 May, 2018?---I can't recall.

30 Let me try and assist this way the, volume 31.1, page 27. So I'm going to back in time now. [REDACTED] I'm going to seek your assistance as to what you might have meant when you said that the conservatorium or "your conservatorium had been ticked off". If we go to page 27 of volume 31.1, I'm going to show you an aspect of an ERC decision of 12 April, 2018, [REDACTED]

[REDACTED] Can we zoom into the top-half of the page please? Do you see there a little heading that says, 1 Simmons Street, Wagga Wagga?---Yes.

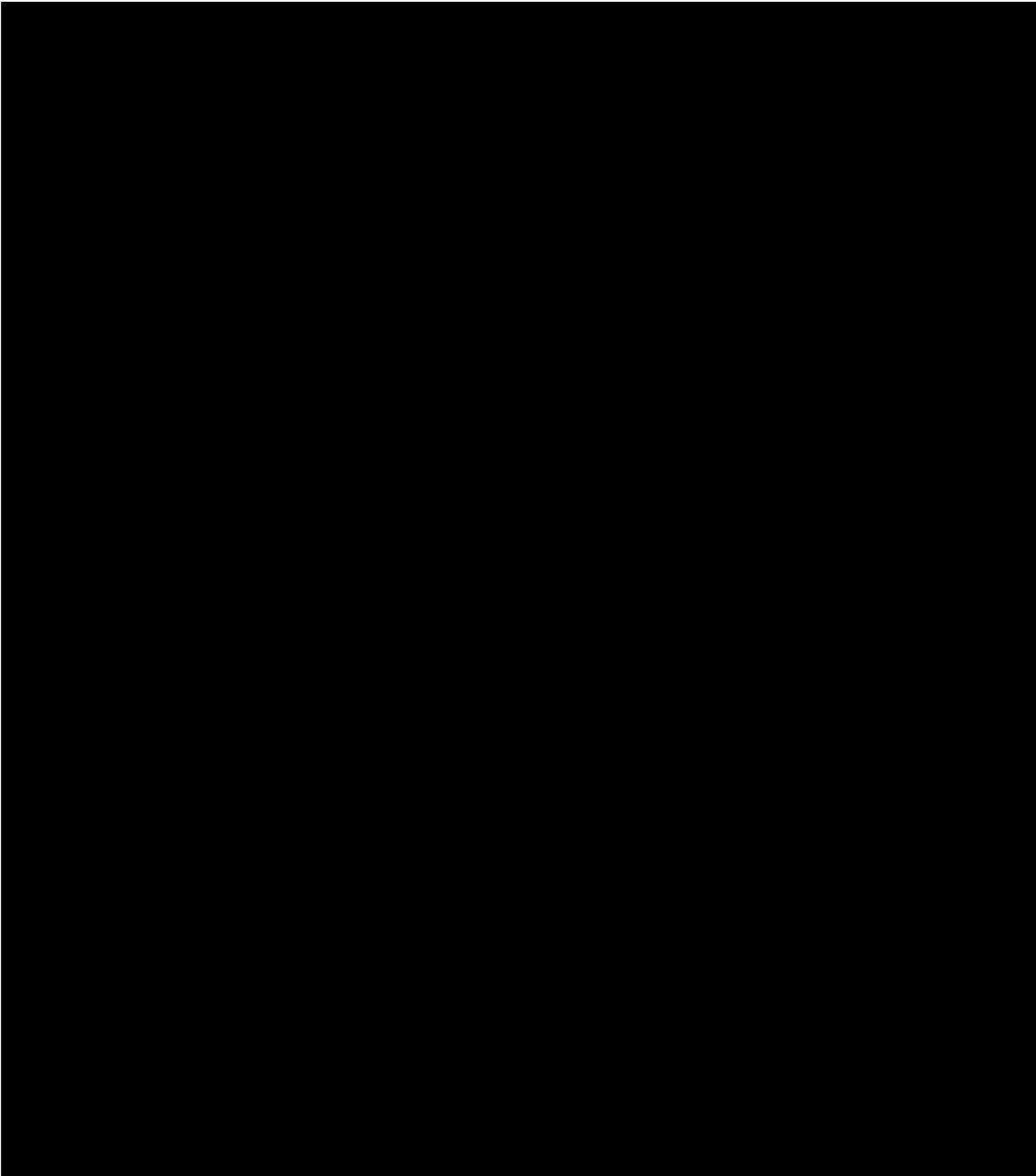
40 And that's got two items, "Transfer of Simmons Street from PNSW," which is most likely referring to Property NSW, "to DPE (Arts) NSW via an equity adjustment" and then V for Victor, "the lease of Simmons Street on market terms to the Riverina Conservatorium of Music." Do you see that there?---Yes, I do.

Does that assist in refreshing any recollection as to any matters before Cabinet or in this case a committee of Cabinet in relation to the RCM project during or about April of 2018?---No, it doesn't.

Now, I'd better just give you the context of that just so you've got the full context. If we go back to page 24 of that bundle, you'll see that's U and V. There's a big long list of things. That's part of Roman 1 that you can see towards the bottom of the page, see how it start by saying "Approved with the following recommendations" et cetera?---Right.

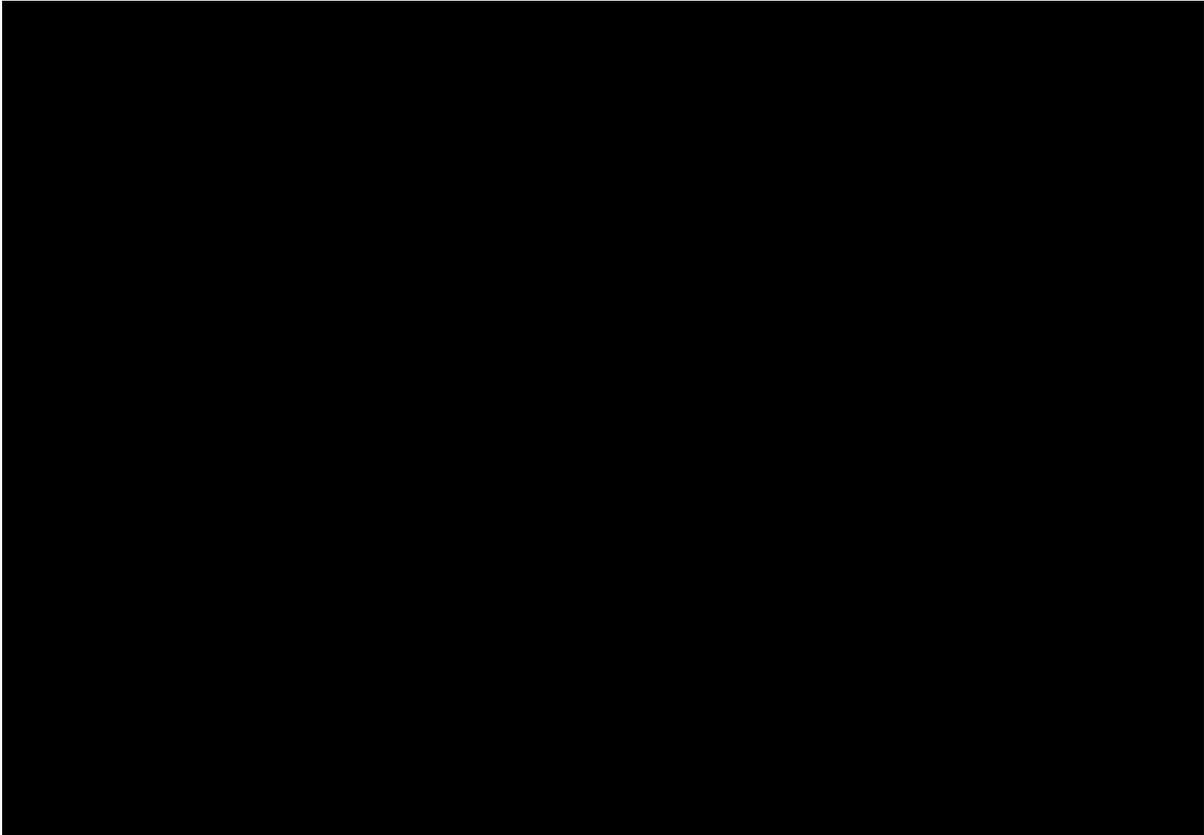
10 So, it appears that the two items I referred you to, U and V, are subitems within an overall approval being given by the ERC. That's just for context so that you can understand where U and V comes up. You can see that there?---I can see the context you're providing.

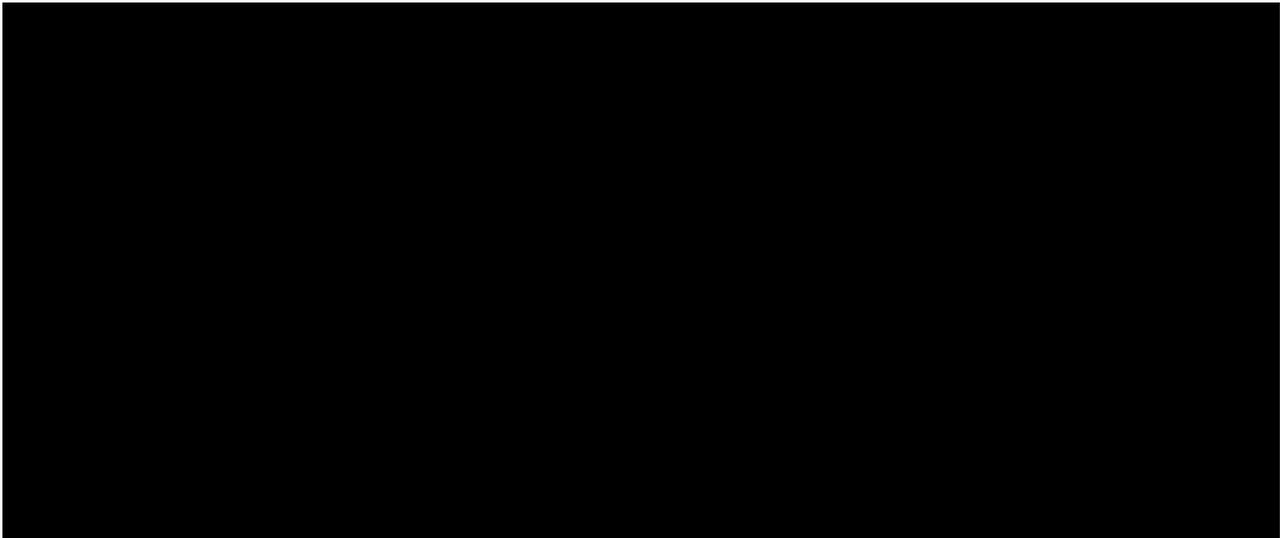
But that doesn't assist in any recollection as to this matter being before the ERC?---No, I can't recall.





You were aware before Mr Maguire attended in Operation Dasha that Mr Maguire had relationships at least in terms of friendships with people in the property development industry, is that right?--Yes, well, yes.





How did you find out what evidence Mr Maguire gave on 13 July, 2018?---I remember it distinctly because ironically I was on the first day of my holidays, and I'd literally landed and got off the plane, was going off to my hotel room, and I got a call from my, one of my staff.

20 So on that day, 13 July, 2018, you were on holidays and Mr Barilaro was Acting Premier, is that right?---That's correct.

And you were interstate on that day, is that right?---That's correct.

And so are you saying you've got a recollection of one of your staff making contact with you to say that something significant's happened before this Commission that you need to know about?---Well, it was more than that. It was something significant has occurred and we think you need to act.

30 And so is this information happening after the adjournment or finishing of Mr Maguire's evidence on 13 July? Or were you following along with it as it was going?---I, I didn't listen in at all. I had no idea what was going on. So when my staff – I was on holidays. So when my staff member contacted me, I, I, I wasn't aware of what was going on.

Do you recall who that staff member was?---I think it would have been my acting chief of staff at the time, because I do remember that day vividly, or, or mostly. I think, if I'm not mistaken, it was my acting chief of staff, who was Mr Brad Burden at the time. I might be mistaken, but that is my best
40 recollection.

And so what was the gist of what Mr Burden communicated to you when he contacted you on 13 July, 2018?---Just that the evidence provided or what had come out was, was that was, wasn't a good look, and that I would need to act, until, until the investigation concluded.

Well, did he give any more details than that, or was it just at that fairly high level of abstraction?---Oh, I, I can't, I can't recall whether he did or not, but

I was quite, I was quite shocked at the time, and I can't recall whether it was a subsequent conversation or that conversation, whether he gave me the gist of it. I'm sure he would have given me the gist of it, otherwise I wouldn't have been able to decide what the best course of action was. But I did decide in a short amount of time that the best course of action was to ask him to stand aside until the matter was investigated.

10 And having made that decision, how did you put that decision into effect?
---I, from memory, I can't remember if there were any steps beforehand, but I rang him very distraught, because I was shocked at, at what happened, I was incredibly distraught and upset. I can't recall whether I called, oh, actually I can't recall whether I called Sarah first.

20 You're referring to Sarah Cruickshank, is that right?---Yeah, yes, although I can't recall why Brad called me, whether Sarah was on leave or whether Brad called – I can't remember whether, what, what, I can't recall whether I called her first, or whether I called Mr Maguire first, or whether I called somebody else first. But the gist of it was, when I rang him, I said – he was professing his innocence, saying he'd done nothing wrong, it was a
20 misunderstanding, so he was trying to defend his position to me, quite strenuously. And I've said, "Well, no, we don't know yet what's, what this is about." I was rather distraught, and I said, "It's best you stand aside until we understand what is happening."

30 Is it right that at that point in time, you suspected that Mr Maguire had been engaged in corrupt conduct?---I didn't know, I couldn't make any assumption at that stage. He was professing his innocence, and saying it was a misunderstanding. But I also knew, I also knew that, given the dramatic way in which the information had been revealed and what it could mean, I wasn't sure. But under the circumstances, given he was a
30 parliamentary secretary, I thought it appropriate to ask him to stand aside until the matters were investigated.

I'm not asking whether you were sure. What I'm asking is whether at that point in time when you asked Mr Maguire for his resignation, whether you suspected that Mr Maguire had been engaged in corrupt conduct.---I didn't know.

40 I'm not asking whether you knew. I'm asking you whether at that point in time you suspected that Mr Maguire was engaged in corrupt conduct, or had been engaged in corrupt conduct.---I, I didn't know, I didn't know what – I was in shock, I didn't know what to think. I didn't, I didn't, I didn't have enough detail. I hadn't read what was happening. I can't remember what I thought at that time.

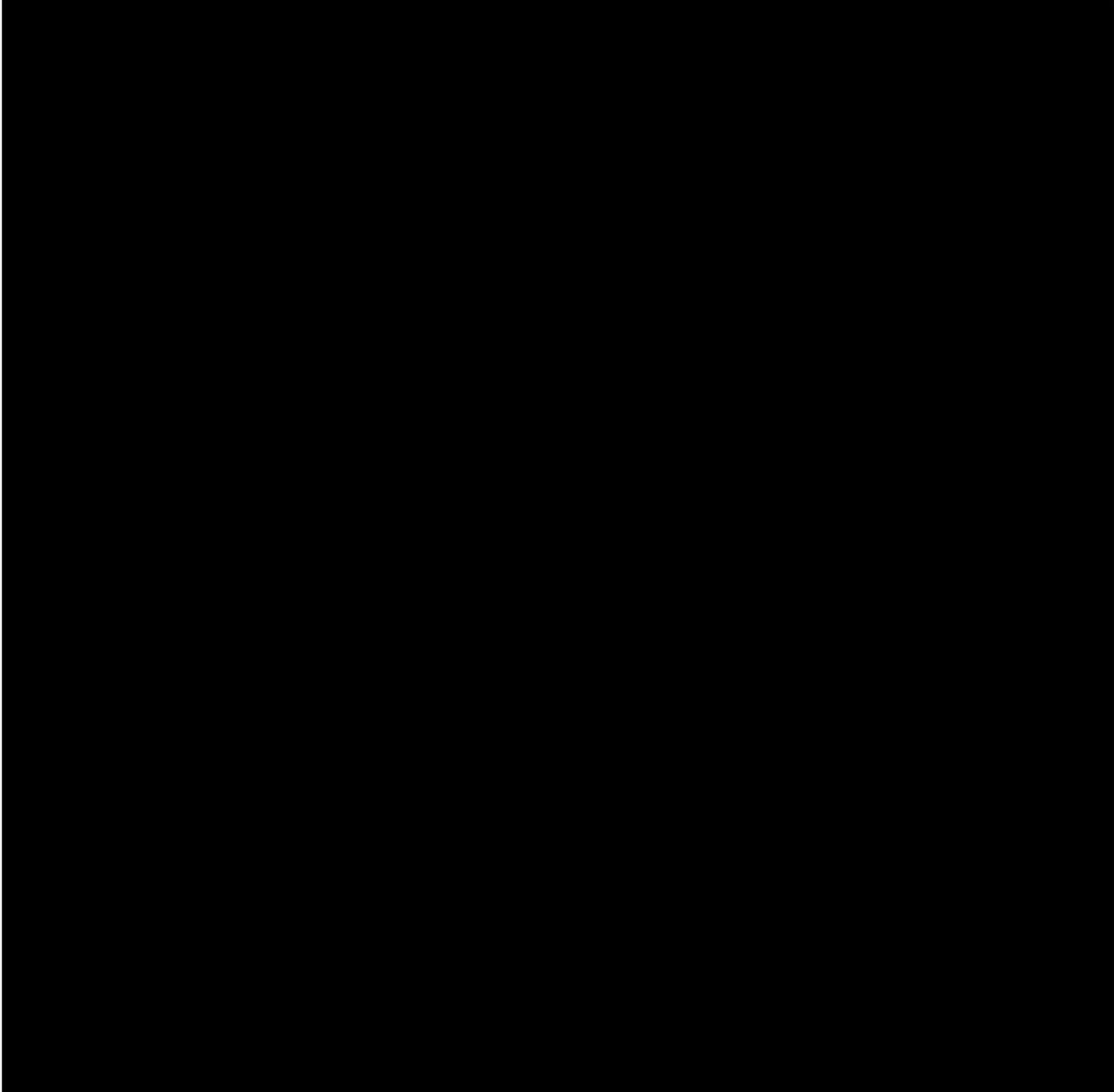
Let me ask you precisely. As at the time that you asked Mr Maguire for his resignation, did you suspect that Mr Maguire had been engaged in corrupt conduct?---I didn't know.

I'm not asking whether you knew. I'm asking whether at the time you asked for Mr Maguire's resignation you suspected that he may have been engaged in corrupt conduct.---I, I, I didn't, I didn't, I didn't know. I was, I wasn't sure.

No, I'm not asking whether you knew or whether you were sure. I'm asking whether, at the time you asked for his resignation - - -?---Well, I didn't, I didn't know.

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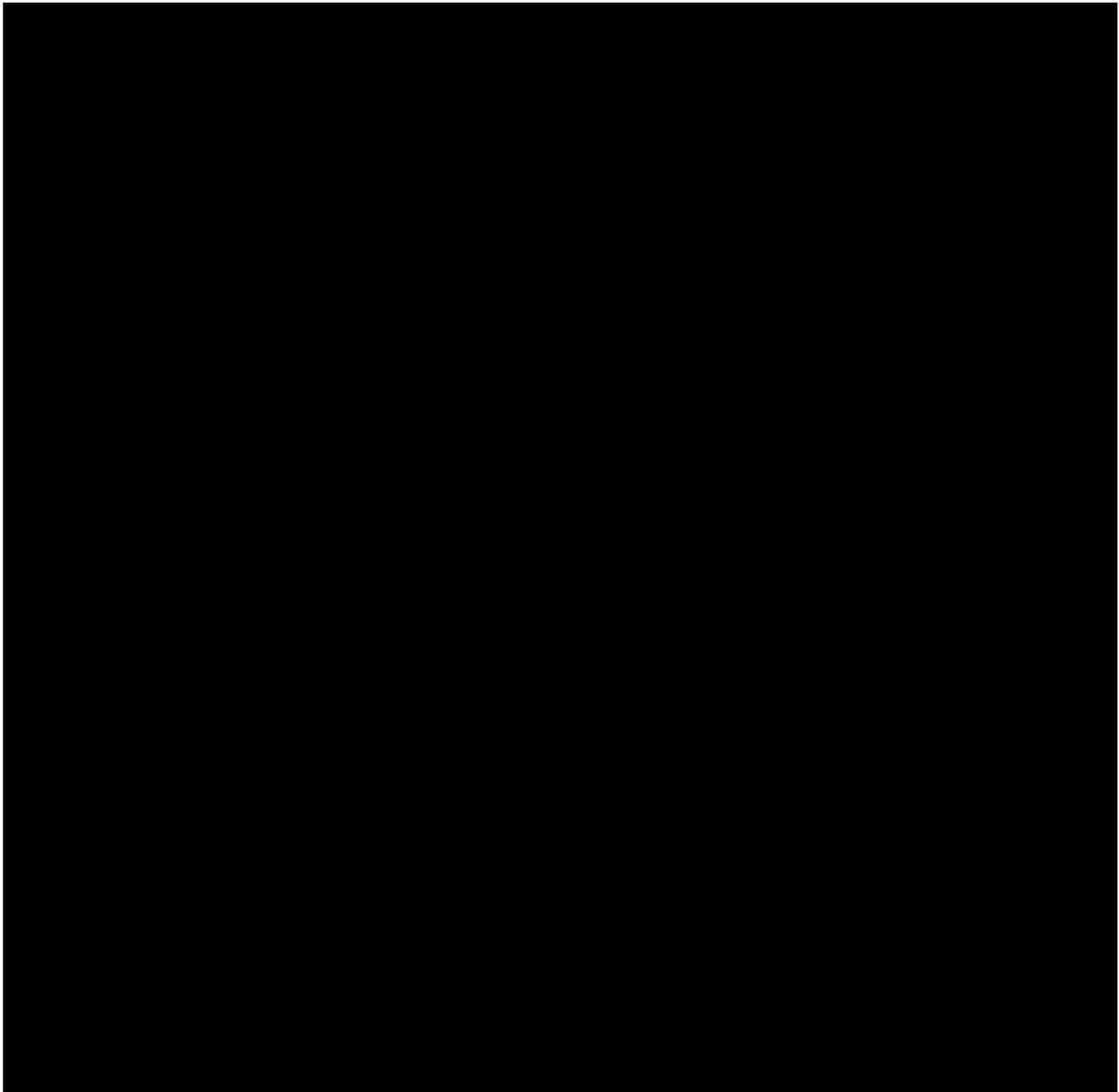
Just let me finish my question. I'm not asking whether you knew. I'm asking about the state of your suspicion or otherwise. Did you at that point in time suspect that Mr Maguire may have engaged in corrupt conduct?
---No.





Who made the decision to make an announcement with respect to the RCM project during the Wagga Wagga by-election?---Well, because it was in the by-election, I would have had a role in that.

- 10 Does that mean you made the decision as the leader of the party?---Well, ultimately I supported the decision. I can't remember if others were involved, but I would definitely have supported the decision, otherwise it wouldn't have been made as the leading face for the party, I guess, at the time. The leading face of the party in the by-election. It would have been up to me to be able to say yes or no to any projects which I didn't want to support.





30 Just pardon me for a moment, Ms Berejiklian. I'm now going to play you a recording of 30 July, 2018, intercept number 11846, volume 31.3, page 154. Just before that starts, we'll just get that cued up. By that point in time, 30 July, 2018, you'd spoken to Mr Maguire. You'd asked for his resignation as parliamentary secretary. He'd resigned as a member of the parliamentary Liberal Party and the Liberal Party itself. He, I think, by that point in time, 30 July, had indicated an intention to resign from parliament. Have I got that right?---I don't know the exact date but I, you, you'd know, you'd know a precise date better than I would, yeah.

40 I take it that, well, is this right, at that point in time, though, you hadn't brought to end, or either of you hadn't brought to an end the close personal relationship with each other?---I was, whether or not I admitted it to him, I was still upset and shocked and, and didn't, didn't really know what I wanted to do in that regard, and there was a period of time where I was trying to make sense of everything, so I didn't – oh, and given he'd just lost his son-in-law, I didn't want to add to what was going on at the moment, so I, I, I resisted saying too much, from, from memory, on that matter. Mmm.

10 [REDACTED] I understood your evidence yesterday, but maybe I misunderstood, that you had a recollection of a particular letter that was somehow relevant to the steps that you took regarding the RCM initiative during the Wagga by-election. Have I got that right or have I got that wrong?---If I can be completely honest, I don't recall what I said yesterday. But what I do know is that I received numbers of letters and also there were articles in the newspapers et cetera indicating community support. So I can't recall whether there was just one letter or several of them.

20 So is this right, you don't specifically recall how the RCM project became, what I might call front of mind during the course of the Wagga by-election. It may have been a letter, it may have been communication with Mr Maguire, it may well have been a combination of a number of inputs? ---Correct, but there's no doubt that I knew Mr Maguire was strongly supporting the project, I don't want to undersell that.

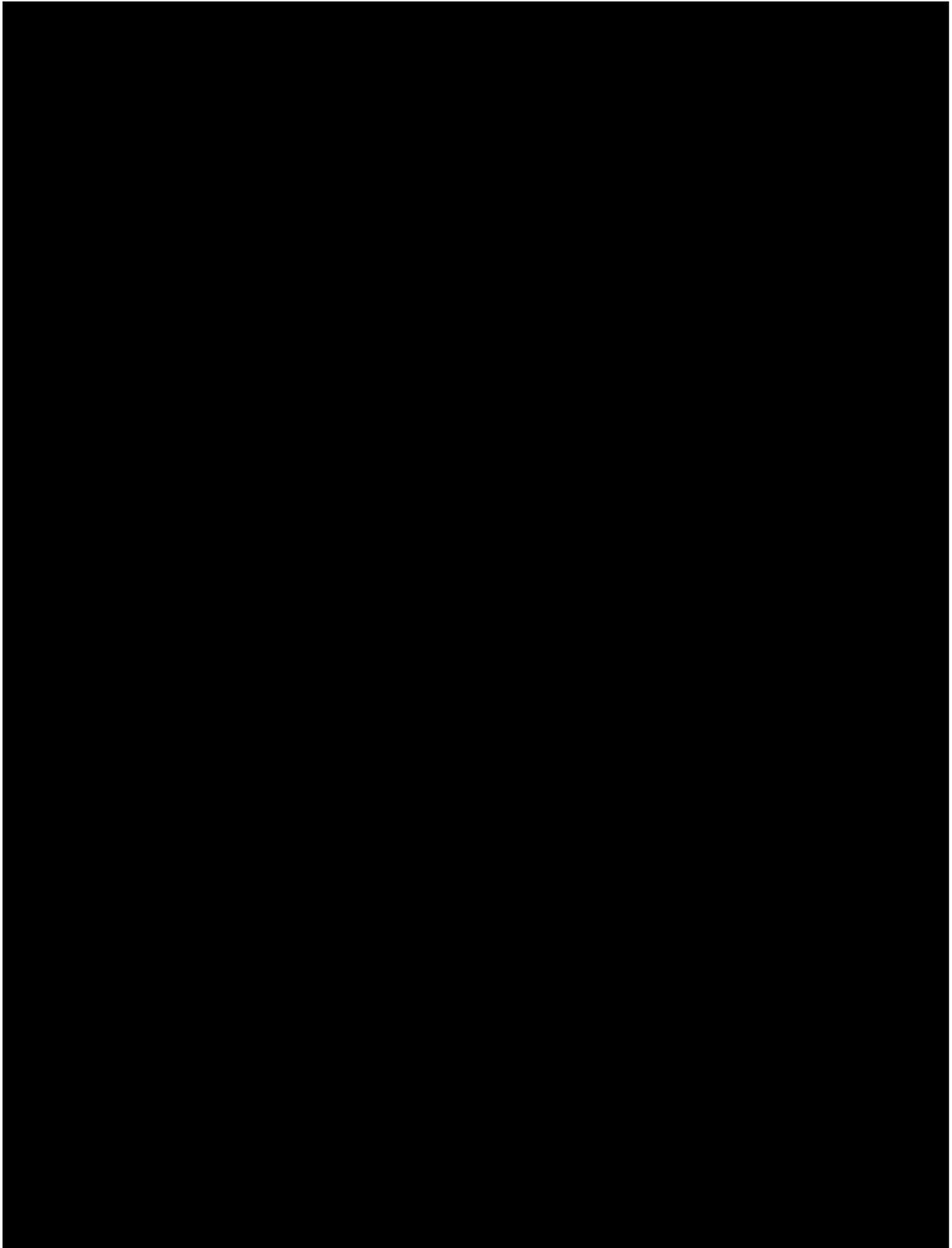
30 Can we go now, please, to volume 33 of page 451. This is a document that I showed you yesterday called Briefing for Premier, and that's a briefing of the 25 July, 2018, so about a week or so before the letter, the date of the letter I just showed you. I just want to clarify a couple of aspects of your evidence regarding this letter yesterday, sorry this briefing yesterday. You recall I showed you this Briefing for the Premier document yesterday?---I do recall, yes.

And if we just zoom in to the first dot point underneath Background, and I showed you these two yesterday but just to refresh your memory. Background, referring to Operation Dasha, "Daryl Maguire's announced his intention to resign as a member of parliament as a result of this investigation." Do you see that there?---Yes, I do.

40 And then the recommendation was, "Note that DPC has informed that a ministerial adviser holds information that may be relevant to Operation Dasha and that the secretary of DPC will provide that information to ICAC." See that there?---Yes, I do.

As at the time that you got this briefing, you understood that the information that was being referred to in the recommendation section was information concerning Mr Maguire. Is that right?---Well, obviously it related to Operation Dasha, so that would have been my assumption, yes.

So doing the best you can, your assumption as at the time that you received this briefing was that what you were being told was that information regarding Mr Maguire was going to be provided by the secretary of your department to ICAC. Is that right?---Yes (not transcribable) that inquiry, yes.

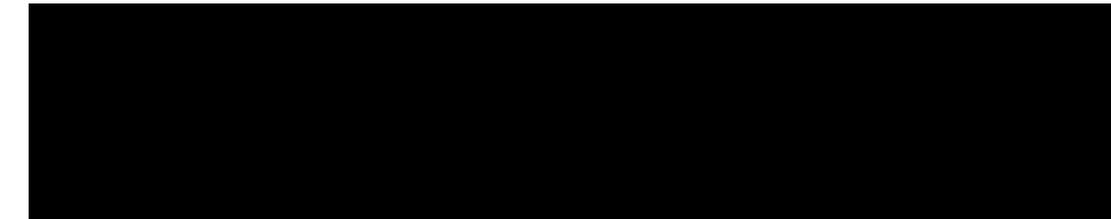


[REDACTED]

So to be clear, you considered whether or not you had any duty to make a report to this Commission or to a head of agency, and you decided not to because you didn't think that you knew of information of a kind that you had a duty to report. Is that right?---That's my sense, yes.

10 Was the decision to not make a report to this Commission or to a head of agency responsible to you in any way affected by a concern on your part that if you made such a report and if that led to the public disclosure of your relationship with Mr Maguire, that may have adverse political consequences to you?---No. Absolutely not. Because I would have assumed that the integrity agency would have all that information at its behest, and I, I would not in any way, and I hope that my actions until this point in time have demonstrated that, I want to do nothing less than fully cooperate and support the work of this agency in providing all the information I have, in providing as much information as the departments hold on my behalf. I hold my job
20 very seriously, and if in any way I've let down the state, I would be the first to acknowledge that, and I would be the first to make those, that known, and I'm always willing to be accountable. I didn't feel that there was anything I could report. And in my mind, I was always able to separate what I did privately to what I did in the workplace. And I would never hesitate – my, my first and foremost priority when you hold this office is to the people of the state.

Does it follow from what you've just said that you would reject any suggestion that any exercise or non-exercise of your official functions was
30 ever influenced by your personal feelings for Mr Maguire?---I would reject that. But I should also state that I did trust him, but I did not have anything specific, but if I did I would report that. I don't want to take away from the fact that I've known him a long time, and in fact, I would suggest a number of my colleagues also trusted him. He'd been part of the furniture for many years, and – but had I, had I, anything come across my desk, or had any suspicion been aroused, of course I would have, but there was nothing specific that I – I didn't feel I had any specific information, and in fact, I disclosed that to my chief of staff. I said to her when, on 13 July, I, I explained to her what the situation was. I said I don't have anything
40 specific to report. I said I don't know all these people he may have mentioned to me. I don't know, I always assumed he took care of his disclosures. I assumed he did everything by the book, and I disclosed that to her. And even now, if there was anything that I remembered or anything that I felt, at, from the time that would contribute to that, that inquiry, I, I would have.



Well, first or foremost or otherwise, do you reject the suggestion that you were ever influenced, perhaps as part of a number of a considerations, but do you reject the suggestion that you were ever influenced in the exercise or non-exercise of your public functions by your personal feelings for Mr Maguire?---I was definitely influenced by his local knowledge and by his advice in matters political. I was definitely influenced by that, as I am with a number of colleagues. So I was definitely influenced, I respected him as a local member, I respected him as someone who understood rural and regional New South Wales more broadly. So I did seek his advice, I was influenced by his input. I was definitely influenced by that but that was irrespective of my personal feelings for him because I regarded him as someone who was an expert in rural and regional politics and someone who was an expert in knowing what was good for his community. So I was definitely influenced by that. Definitely. But I wasn't, I didn't let that, I didn't let that, I didn't let my personal feelings for him interrupt what I regarded as the advice I received from him in relation to broader political issues, party-related issues, as I do all of my colleagues and I want to make that clear. I was influenced by him, I did take notice of what he said because I respected him as someone who had expertise I didn't. Sydney born and bred, rural New South Wales was not – and he was one of the few country Liberals who had been around for a long time. So I want to stress strongly that I was influenced by him, but based on his knowledge of regional politics and his electorate and his community.

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