

REPORT OF PROCEEDINGS BEFORE

GENERAL PURPOSE STANDING COMMITTEE NO. 4

**INQUIRY INTO THE APPROVAL OF THE DESIGNER OUTLETS
CENTRE, LIVERPOOL**

At Sydney on Wednesday 25 August 2004

The Committee met at 11.30 a.m.

PRESENT

The Hon. J. A. Gardiner (Chair)

The Hon. J. C. Burnswoods

The Hon. J. F. Ryan

The Hon. P. Primrose

The Hon. K. F. Griffin

Ms S. P. Hale

The Hon. D. E. Oldfield

CHAIR: Ladies and gentlemen, welcome to the fifth public hearing of General Purpose Standing Committee No. 4 into the approval process of the designer outlets centre on Orange Grove Road, Liverpool. I thank the witnesses we have before us today for appearing at short notice to assist the inquiry. At the first three hearings I made lengthy comments regarding aspects of evidence, including sub judice, adverse mention and the status of documents requested by the Committee. If I need to, I will refer back to those comments, but I do not intend to repeat them now.

Mr Michael Meagher, chief of staff to assistant planning Minister, the Hon. Diane Beamer, was invited by the Committee to give evidence at the hearing on 18 August. Following the Premier's decision to make a member of his personal staff, Mr Graeme Wedderburn, available to give evidence to the Committee, I as chair wrote to the assistant planning Minister—

The Hon. Jan Burnswoods: Point of order: Can I ask on what basis you are reading this, given that the Committee has had this matter before it at its meeting but has deferred this matter?

CHAIR: That is what I am about to say.

The Hon. Jan Burnswoods: On what basis are you making the statement, given that the Committee has made no decision in relation to this matter?

CHAIR: I am simply updating the public on an important matter, and if you let me finish the paragraph—

The Hon. Jan Burnswoods: It is the content that is concerning me. After considerable discussion, which involved keeping everyone outside for half an hour or so, the Committee has deferred all discussion on this matter, and it does not seem to me that we should be discussing this at this stage, because we have made a specific decision to discuss it again later in the day as a Committee without the public present.

CHAIR: That is what I am about to say.

The Hon. Jan Burnswoods: Could you give me a ruling on my point of order?

CHAIR: I am just reading out a statement to update the public, and as far as I am concerned there is no point of order. I am about to say what you just said.

The Hon. Peter Primrose: But there is no mention about the leases in your statement.

CHAIR: I do not think there is, no.

The Hon. Peter Primrose: We have consistently asked for copies of the leases, and we have not got them.

CHAIR: Order! I will just finish this statement. Mr Michael Meagher, chief of staff to the assistant planning Minister, Diane Beamer, was invited by the Committee to give evidence at the hearing on 18 August. Following the Premier's decision to make a member of his personal staff, Mr Graeme Wedderburn, available to the Committee, I as chair wrote to the assistant planning Minister asking whether she would consider the same course of action in relation to Mr Meagher. Yesterday Mr Meagher responded saying he was unavailable to appear before the Committee but he would be happy to answer any questions put on notice by the Committee. The Committee will discuss this matter at a deliberative meeting during the break in today's hearing.

The Committee previously resolved to authorise the media to broadcast sound and video excerpts of its public proceedings. Copies of the broadcasting guidelines are available on the table by the door. In recording Committee proceedings, the media must take responsibility for what they publish, including any interpretation placed on evidence before the Committee. In accordance with these guidelines, while members of the Committee and witnesses may be filmed or recorded, people in the public gallery should not be the primary focus of footage or photographs.

Under the standing orders of the Legislative Council evidence and documents presented to the Committee that have not been tabled in Parliament may not, except with the permission of the Committee, be

disclosed or published by a Committee member or by any other person. Witnesses, members and their staff are advised any messages should be delivered through the attendant on duty or through the clerks. I ask that all members of the audience refrain from making audible comments during the hearing, and everyone should turn off their mobile phones.

MARK RYAN, Director of Corporate Affairs, Westfield, affirmed and examined, and

CRAIG STEPHEN MARSHALL, Assets General Manager, Westfield, sworn and examined:

CHAIR: If either of you should consider at any stage that during your evidence certain evidence or documents you may wish to present should be heard or seen in private by the Committee, the Committee will consider your request. However, the Committee or the Legislative Council may consequently publish the evidence if it considers it in the public interest to do so.

CHAIR: Mr Ryan, do you have an opening statement?

Mr RYAN: Yes, I do.

CHAIR: You may proceed.

Mr RYAN: Thank you very much. Ladies and gentlemen, before reading to you my statement, I wish to make some opening remarks. On the 7.45 a.m. ABC news this morning, excerpts of an interview Mr John Ryan gave to an ABC journalist were broadcast. Mr Ryan's recorded remarks were to the effect that Westfield's previous evidence before this Committee was less than truthful because Westfield had not mentioned the meeting that took place between me, Craig Marshall and Graeme Wedderburn on April 19, 2004. The imputation conveyed by Mr John Ryan's remarks were slanderous and untrue, as will be readily apparent from any fair reading of the transcript of Westfield's evidence given to this Committee on 16 August 2004. I now quote from sections of the transcript. The very first question Mr Jordan was asked by the Committee came from Mr John Ryan. Mr John Ryan asked Mr Jordan:

In view of that policy, what representations did you make to government, on what days and to whom?

Mr Jordan replied:

I am quite happy to give you a full list of what representations we have made. We made representations at local government level, State Government level and to the Opposition. We made written submissions, as well as seeing people and making submissions to them verbally. If you like, I will give you a full list of those and the dates.

The following morning Westfield's solicitors telephoned the Committee seeking on behalf of Mr Jordan to verify all of the things that were required to be provided, including the above list, and to work out a time for the production of the documents. In accordance with that telephone call, all the documents were produced last Friday. The list provided included reference to the April 19, 2004 meeting with Mr Wedderburn. In the course of Mr Jordan's appearance before the Committee he was asked a number of questions by Committee members and he answered each of those questions truthfully.

We have noted that Mr John Ryan's remarks on the ABC news this morning were not made under the cloak of parliamentary privilege. As you know, I am the director of corporate affairs of the Westfield group, and it was in that capacity that I became involved in the matters before this Committee. I want to make it clear that from time to time Westfield makes representations to government about Westfield's interests. It is the corporate responsibility of Westfield to be involved in the political process. Westfield has on behalf of its shareholders, retailers and employees a legitimate interest in government decisions and has a democratic right to communicate with lawmakers and officials.

Planning policy is of critical importance to Westfield. Shopping centre developments are undertaken on a long-term horizon, usually 20 years or more, and hundreds of millions of dollars are invested in each centre. We have recently opened the Bondi Junction centre. This took 10 years in planning and construction. We worked diligently through each and every planning and regulatory issue. The project was worth about \$1 billion. Today there are 300 thriving businesses there, employing about 3,000 people, and the centre generates a multiplier effect through the service economy that increases these job figures many times over.

Westfield centres like Bondi Junction are located across the country and they represent massive investments in the economy, in jobs and in public infrastructure, but they do not spring up overnight and they are not illegal. They require us to consult openly and properly with authorities and the community, and we operate within vigorous planning requirements. It is vital that government planning policies are clear and do not

alter substantially over time in a way that allows ad hoc development or irregular developments that are outside accepted planning guidelines.

Westfield has a right and an obligation to see that planning policies and planning laws are enforced. Our position is simply this. We will compete with anyone on equal terms. We say consistently to the Government and to the Opposition either retail is put on land zoned for retail or it is a free for all. If it is going to be a free for all, then tell us and we will go and buy cheap industrial land, put up shopping centres at a fraction of the cost and the community will end up with a planning shambles and economic misery for the vast majority of investors and workers in the industry.

I want to make it clear that Westfield made representations to government on the Orange Grove Road development. Westfield makes no apology for seeking to put to the Government the contrary view to that being put by Gazcorp. Westfield was very concerned that the Government was about to change planning laws, to act contrary to established government policy and to overturn court rulings by allowing an illegal development to stay open. This would have permitted Gazcorp and other developers in the future to flout the law, flout court rulings and flout established government policy by the device of opening a development illegally and then blackmailing the Government to leave it open by a cynical campaign of job losses, threats of massive damages, pressuring decision makers and alleging favouritism to anybody who objected.

Westfield made its opposition to Orange Grove known from June 2003 when it commenced legal proceedings, and from October 2003 it began alerting the State Government to this fact. It made its opposition known to the planning Minister at a meeting on 17 November 2003. On 8 December 2003 Liverpool City Council resolved to exhibit a rezoning of the Orange Grove Road development. Westfield and others publicly objected to the rezoning and made a number of written submissions to council. A copy of each submission was sent to the Department of Planning. The submissions made it clear that the council was not authorised to approve the development, that it was contrary both to the council zone local environment plan and established State Government policy.

On 16 January 2004 the Land and Environment Court declared that the centre was illegal and should be closed. On 16 March 2004 Liverpool council was sacked following inquiries into maladministration. On 31 March 2004 three judges in the Court of Appeal upheld the original decision of the Land and Environment Court and ordered the closure of the development. On 13 April 2004 the administrator of Liverpool City Council applied to the Government for approval to rezone the site. Up until then my involvement in the Orange Grove matter had been intermittent. From time to time over the past year or so I was made aware of developments in the case, but I was not intimately involved in the legal or council processes. Westfield development executives had made me aware of various irregularities with the processes of council and I was, of course, aware that the Minister had opened the centre.

When I became aware that the council was seeking to overturn the court decisions and make legal what was illegal, I looked more closely at the history of the site and questioned various Westfield executives that had been involved in the process over time. I then prepared a diagram of the relationships between the various parties and that diagram looked like this one. This was the diagram of the relationships between Mr Gazal and a range of people in the Liverpool council area. This was what was in my mind prior to meeting with Mr Wedderburn and in preparation for my meeting with Mr Wedderburn.

What it shows is Mr Gazal at a centre of relationships and influence at a political level—at the level of council officers in the Liverpool area. It highlights, as you can see, some of the key characters involved in this whole saga. It includes, of course, Mr Gazal; his architect, Frank Mosca; Mr Bargshoon; local members of Parliament; a council officer, and Mr Gerard Turrisi, who we now know, since leaving Liverpool council and since being involved in this decision to approve Orange Grove Road illegally, has done work for the architect Mr Mosca.

The Hon. JAN BURNSWOODS: And for Mr Gazal.

Mr RYAN: And for Mr Gazal. It includes the planning Minister, Mr Knowles, who opened the centre. It includes various people at Liverpool council—the Lord Mayor, Councillor Tony Beut, who I understand had responsibility for major projects and, of course, Mr Gerard Turrisi. It also includes Mr Phuong Ngo, who I knew from the public record had a relationship stretching back many years with Mr Gazal and who had been involved in Mr Gazal's previous attempts to support his applications for rezoning on the Orange Grove site. This is a copy

of a diagram that I prepared at the time so that I could be clear in my mind about who might be involved in this project and what forces might be brought to bear in getting an approval for this project.

The only material change that I have made to this diagram since I first prepared it is to insert the Liverpool south Australian Labor Party branch. Since preparing this diagram I have learned that there is now a connection between this ALP branch and Mr Bargshoon, who was reported two weeks ago as turning up at that branch meeting in the evening with a large number of new members to sign up, with the express purpose of unseating Minister Knowles. That is the only material addition I have made to this chart since then. I show that to the Committee by way of demonstrating what was in my mind prior to my meeting with Mr Wedderburn.

CHAIR: Do you have a smaller version of that diagram?

Mr RYAN: I am sure that I could provide one.

CHAIR: The Committee authorises that that document be tabled.

Mr RYAN: After reviewing that diagram and much other information—newspaper clippings and files—I then decided that the appropriate action to take was, firstly, to seek a meeting with the Premier's chief of staff and, secondly, to seek a meeting with Assistant Minister Beamer. I want to make it clear why Westfield sought a meeting with the Premier's chief of staff. It sought a meeting because it wanted the Premier to know about Westfield's grave concerns with the influence which was likely to be brought to bear on his Ministers in the rezoning decision and that in the view of Westfield there was a high risk that the rezoning application was not going to be considered on its merits.

In reviewing the public record, court documents, Industrial Relations Commission documents, newspaper files and other material I learned that Mr Gazal had been trying to force rezoning after rezoning on this site for more than a decade. At the heart of this whole issue is Mr Gazal's attempt to profit substantially from an illegal rezoning of the site over many years. His efforts to rezone have been widely canvassed and reported in the media. Media reports and other public documents at various times have dealt with the following: Mr Gazal was at the centre of a network of influence through the Liverpool area that included local members of Parliament, elected councillors and council officers; the recruitment in the original rezoning application of the Orange Grove site of Phuong Ngo, a man now serving life imprisonment for the murder of a member of Parliament; and attempted bribery by Phuong Ngo of a public official with \$70,000 allegedly offered to the Deputy Lord Mayor of Liverpool council to support Mr Gazal's attempt to put a cinema on the Orange Grove Road site.

The Hon. JOHN RYAN: Point of order: The witness would be aware that warnings were given in relation to making any adverse comments about individuals. He is protected by parliamentary privilege but he should not use that as an opportunity to make allegations against people. Some of this material might need to be heard by the Committee alone.

CHAIR: Mr Ryan, I ask you to be careful in relation to making adverse comments about persons who are not here to defend themselves, otherwise we might need to have another hearing to give them that opportunity.

Mr RYAN: I will certainly bear that in mind. What I have said is nothing more than is already on the public record.

CHAIR: Can you bear that in mind?

Mr RYAN: Certainly.

The Hon. JOHN RYAN: I think you are traversing issues that are not on the public record.

Mr RYAN: I am not aware that I am.

The Hon. JOHN RYAN: The bribery remark that you referred to is not on the public record.

Mr RYAN: I am afraid it is.

The Hon. DAVID OLDFIELD: Could you point that out to us, including the figure to which you referred?

Mr RYAN: Certainly. I am happy to provide that. It is on the public record.

The Hon. PETER PRIMROSE: People might wish to take procedural points of order. Provided it is germane to the inquiry and within the Committee's terms of reference, the witnesses should be allowed to make a statement. Madam Chair, if you believe that it is inappropriate you should take whatever action you believe to be appropriate.

CHAIR: Mr Ryan, could you keep that in mind? We will ask questions about that matter later.

Mr RYAN: As I said, the media reports and other public documents at various times have dealt with, among the things I have already mentioned, Mr Frank Mosca and his association with Liverpool council, which was canvassed in the daily inquiry; Mr Sam Bargshoon's local political activities, including his involvement in branch stacking; the involvement of Mr Mosca and Mr Bargshoon in the original cinema rezoning application; evidence before the Industrial Relations Commission in 1995 citing Mr Gazal as saying, "I owe the bank \$1 million and if I have to break the law I will"; and the commission's findings that the conduct and attitude of Mr Gazal's company showed a clear disregard for the terms of the award and "a preparedness to put its own interests above the obligations imposed on it by the award".

Before my meeting with Mr Wedderburn, Westfield was aware that the retail leases at Orange Grove were not usual by any means. At the time of the first Land and Environment Court hearing in December 2003, a full month after the centre had been opened, not one lease had been executed. Apparently, Mr Gazal had got retailers to sign the lease but he had not signed, presumably to mitigate future legal action by retailers. It was clear that if Mr Gazal did not advise tenants of the ongoing legal action in the disclosure statement as required by law under the Retail Leases Act, he would be open to charges of misleading and deceptive conduct under section 52 of the Trade Practices Act.

From our inquiries we were able to establish that the failure to notify retailers was widespread. A number of retailers have confirmed to us that they were not notified. Some of the more experienced retailers insisted to Gazcorp that elaborate exit clauses be inserted in their leases. At least one retailer said that, as of two weeks ago, he had not yet paid one cent in rent to Mr Gazal. Many of the retailers we have spoken to confirmed they were planning to take legal action against Mr Gazal. The relevance of all this to Westfield was that Mr Gazal was no innocent owner who had innocently opened a centre based on sound town planning advice. The true position was that he was someone who knew the exact position with zoning laws. More importantly, not only did Mr Gazal fail to inform retailers, he also failed to inform the workers, the employees of the retailers.

Throughout this whole process that dragged on month after month he never took workers into his secret. He never explained the cloud of uncertainty that hung over their jobs. It was like a ship's captain taking on passengers without telling them that the ship was full of holes. The Committee has already heard much about the irregularities surrounding the approval at Liverpool council. From where I stood before my meeting with Mr Wedderburn this was my understanding. Council was not authorised to give the approval in the first place; it was unlawful. The Land and Environment Court found not only that it was unlawful but that Gazcorp's arguments were nonsensical. The application lodged by Gazcorp on 5 June 2003 was grossly deficient, so deficient that council wrote back to Mr Mosca on 13 June pointing out that shops were not permitted on the site and asking Gazcorp to be more specific about exactly what it did propose for the site.

The DA sat with the council for about four months. It sat in a vacuum apparently. No effort was made to notify businesses in the area that would be affected. We were asked to believe that this major project, this great generator of jobs and economic development, this great boon for Liverpool did not reach the ears of the elected officials who, in normal circumstances, would be rushing to claim credit for such a wonderful development. In normal circumstances they would have been falling over themselves to claim credit. They would have been lining up to cut the ribbon. We were asked to believe that the application sat with a single council officer and no one else on the council had any interest in it or was even aware of it.

Against the background of all this it was clear to me what Mr Gazal's tactics were. In this round of rezoning his tactics were: to obtain an approval from the disgraced Liverpool council contrary to planning laws; having got the approval, expedite the opening of the centre before the Land and Environment Court case had

concluded; oppose Westfield's efforts to get an urgent court hearing so the matter could be finalised once and for all; failed to tell tenants and workers about the uncertainty surrounding the centre; have the Minister officially open the centre and use this fact to later support his claims about the legitimacy of the project; with the centre open, retailers in place, workers in jobs, shoppers turning up, dare the Government to close it down. His goal all along was clearly to blackmail the Government into leaving the centre open by threatening job losses, threatening massive damages claims, pressuring decision-makers and alleging favouritism against anyone who objected. These were the matters that were of concern to me when I met with Mr Wedderburn.

On April 19 2004 I had a meeting with the Premier's chief of staff to bring to his attention my concerns as outlined above. I wanted the Premier to know about our grave concerns with the influence that was likely to be brought to bear on his Ministers. I wanted the Premier to know that Westfield considered there was a high risk that the rezoning application was not going to be considered on its merits. I outlined the history of the project, the legal process and my concerns. My concerns centred on the following: Mr Gazal had a well-documented history of unconventional lobbying and that there had been extreme tactics used in the last rezoning application; the irregularities of the approval by Liverpool council which has been the subject of numerous inquiries and dismissed; a council described by the Leader of the Opposition as "a cesspit of public administration, rife with wink and nod deals"; that Mr Gazal was at the centre of a network of influence at a local level that involved political figures and council officers and the planning Minister; that Mr Gazal would use the "official approval" flowing from the fact that the Minister had opened the centre to apply political pressure to the Government; that the Minister would be threatened with the prospect of job losses from an area that she represented.

I told Mr Wedderburn that I would be surprised if all these matters were not already the subject of an ICAC inquiry, given what had flowed from the daily report. It has since been reported that ICAC had taken an interest in the Orange Grove approval process at or about the time of my meeting with Mr Wedderburn. Clearly, someone else shared my concerns. I did not tell Mr Wedderburn that it was going to rain, but with all the thunder and lightning about he or the Government should have an umbrella. Mr Wedderburn told me that if I had evidence of corruption I should take it to the ICAC. Mr Wedderburn assured me that the Minister would decide the matter on planning grounds and would not allow herself to be compromised.

On 19 April, the same day, Westfield wrote to Assistant Minister Beamer seeking a meeting. I think the Committee is now aware that no meeting took place. This whole saga has been about a developer trying to substantially profit from an illegal approval and mounting a campaign to blackmail the Government in order to achieve his ends. Orange Grove should never have been approved in the first place. Westfield applied all legal and conventional means at its disposal to oppose the development and fulfil its obligations to the thousands of its investors, retailers and workers. Our position is that the law should be upheld. We believe that the livelihoods of the hundreds of small businesses and workers at Westfield Liverpool are as important as those of the unfortunate retailers and workers at Orange Grove who have been hoodwinked by Mr Gazal. The families at Westfield Liverpool and in the Liverpool CBD have invested heavily. They too have mortgages. The difference is that they are operating in a legal development.

I want to make it clear that Westfield did not close the Orange Grove development and did not receive any favours from Government in not rezoning the development. The development was illegal; the courts unanimously decided it was illegal; the courts enforced the law to have the centre closed. The decision to not rezone the site was made by the Minister in accordance with existing planning laws and established government policy. No favour was done to Westfield. That is the end of my statement.

CHAIR: Mr Marshall, have you got an opening statement?

Mr MARSHALL: No, I have nothing further to add, thank you.

CHAIR: Are there any questions?

The Hon. JAN BURNSWOODS: Could I ask if we could have a copy of the statement to help us in asking questions?

CHAIR: Is that possible, Mr Ryan?

Mr RYAN: Certainly. I would like to keep the statement with me.

CHAIR: Mr Ryan, you are happy for the Committee to have a copy of that?

Mr RYAN: Certainly.

CHAIR: I propose to do 20-minute batches as per usual, but given that (a) we ran over time in the beginning in commencing the hearing and (b) Mr Ryan's statement was 30 minutes long, we may have to go longer into the lunch break.

The Hon. JOHN RYAN: Mr Ryan, how long have you worked for Westfield, and before you worked for Westfield for whom did you work?

Mr RYAN: I have been working for Westfield for nine years, and prior to that I worked for Mr Malcolm Turnbull.

The Hon. JOHN RYAN: Did you not also work for a former Prime Minister?

Mr RYAN: I did.

The Hon. JOHN RYAN: Did you have other roles that might be associated with political life?

Mr RYAN: In an earlier life I worked for the Victorian Government.

The Hon. JOHN RYAN: Are you or have you been a member of the Australian Labor Party?

Mr RYAN: Yes.

The Hon. JOHN RYAN: Are you still now?

Mr RYAN: Certainly.

The Hon. JOHN RYAN: And of which branch are you a member?

Mr RYAN: I do not attend branch meetings; I am not a member of a branch as such. I am what you might call a very passive member of the ALP.

The Hon. JOHN RYAN: Do you know Graeme Wedderburn?

Mr RYAN: I do.

The Hon. JOHN RYAN: How long have you known him and how would you describe your relationship with him?

Mr RYAN: I have known of Graeme Wedderburn or known Graeme Wedderburn for perhaps 10 years. I cannot say that I know Mr Wedderburn well. I have met Mr Wedderburn on a handful of occasions over that period of time; no more than probably three or four times over a 10-year period.

The Hon. JOHN RYAN: How many times in the period of your employment with Westfield have you called Mr Wedderburn or had a meeting with him?

Mr RYAN: A very small number of times. I would say maybe two or three times.

The Hon. JOHN RYAN: And on what issues did you meet him?

Mr RYAN: I have met Mr Wedderburn or had conversations with him about, in the main, non-Westfield business. I saw Mr Wedderburn or I have had conversations with him about matters to do with foreign policy and the Lowy Institute for International Policy, with which I have had some involvement. I have had a discussion with Mr Wedderburn, going back some years, to seek his advice about the establishment of an aircraft museum in Temora in regional New South Wales. My recollection is that I sought his advice as to who

best to speak to about that region. I cannot recall any other meeting or discussion that I have had with Mr Wedderburn specifically about Westfield business.

The Hon. JOHN RYAN: Did you speak to Mr Wedderburn prior to coming to this Committee?

Mr RYAN: Yes, I have.

The Hon. JOHN RYAN: Since he has given evidence?

Mr RYAN: Yes, I have.

The Hon. JOHN RYAN: What did you speak to him about?

Mr RYAN: I spoke to him about documents that he had provided to the Committee. Apparently he made some Westfield documents available to the Committee when he was here.

The Hon. JOHN RYAN: I am not sure that he has.

Mr RYAN: Or there was an issue anyway.

The Hon. JOHN RYAN: He did make an offer to do that.

Mr RYAN: It was not something that I was qualified to make a judgment on and I gave him the contact details of our legal representatives.

The Hon. JOHN RYAN: Who called who when the contact was made?

Mr RYAN: I cannot remember.

The Hon. JOHN RYAN: Do you recall when you spoke to Mr Wedderburn on 15 April if you suggested in that phone call that you were calling for the purposes of arranging a meeting between Premier Carr and Mr Frank Lowy?

Mr RYAN: No, I did not.

The Hon. JOHN RYAN: Mr Wedderburn said that you did.

Mr RYAN: I rang him to bring to his attention my concerns. I told him that these concerns were of such a serious nature that it might involve a meeting, could potentially involve a meeting. But at that stage there was no suggestion of a meeting beyond that. Mr Wedderburn advised me that he thought the best course was for me to meet with him first and bring my concerns to him and that, to my recollection, is the context in which Mr Lowy's name was mentioned in that phone call.

The Hon. JOHN RYAN: I do not think this makes sense, Mr Ryan. He characterised to us that your phone call to him was specifically to arrange a meeting between Mr Carr and Mr Lowy and that he made the decision to meet you to determine whether or not a meeting was justified. Now is Mr Wedderburn wrong or are you right?

Mr RYAN: I am explaining to you my recollection of events. My recollection of events was that I rang Mr Wedderburn with these concerns that I have outlined to you; in making clear to him how serious I regarded these concerns, I suggested to him this could well be a matter that would require a meeting between my chairman and the Premier. He then explained to me that he thought the best course of action was for he and I to meet, and I accepted that.

The Hon. JOHN RYAN: Who asked you to make that phone call to the Premier's office?

Mr RYAN: No one. I did. I made the phone call.

The Hon. JOHN RYAN: Are you telling me that Westfield allows you to set up meetings between Mr Lowy and the Premier without first discussing them with Mr Lowy?

Mr RYAN: Yes.

The Hon. JOHN RYAN: Earlier you said that Westfield executives had made you aware of various irregularities. Who were those executives and what were those irregularities?

Mr RYAN: Are you referring to the irregularities with the approval process?

The Hon. JOHN RYAN: I am referring to your words, "Westfield executives had alerted me to various irregularities." Which Westfield executives?

Mr RYAN: There are so many irregularities associated with this saga that you would need to guide me a bit there. There were irregularities to do with the leases—

The Hon. JOHN RYAN: No, your words.

Mr RYAN: I am just asking for a bit of guidance, Mr Ryan.

The Hon. JOHN RYAN: I am referring to your words and I want to know which were the irregularities that you had in mind when you contacted the Premier's office to complain about them and which—

Mr RYAN: I have outlined those in great detail, I think, Mr Ryan.

The Hon. JOHN RYAN: No, you have not. Which irregularities did you discuss with Mr Wedderburn? What were your words?

Mr RYAN: The concerns that I raised with Mr Wedderburn centred the on Mr Gazal's history—

The Hon. JOHN RYAN: I do not want a summary; I want the words you used to Mr Wedderburn. What did you actually say to him that you were concerned about? Which people did you name? What issues did you raise?

Mr RYAN: I cannot remember every individual I named in the meeting. I named the number of people on the chart that I showed you earlier. I cannot give you an exhaustive list of every person that I may have mentioned in that meeting. I certainly mentioned a number. I certainly mentioned Mr Gazal, Mr Bargshoon, Mr Mosca.

The Hon. JOHN RYAN: What words did you use when you were speaking to Mr Wedderburn? When you started your conversation with him what did you actually say?

Mr RYAN: I said to him that we have grave concerns with the process—

The Hon. JOHN RYAN: Who is "we"?

Mr RYAN: Westfield.

The Hon. JOHN RYAN: Did you tell him that you were ringing of your own initiative rather than Westfield's?

Mr RYAN: He knew I was there representing Westfield. That is my job. I am the director of corporate affairs for the Westfield group.

The Hon. JOHN RYAN: So you were making a phone call to no less than the Premier's office seeking a meeting with Westfield of your own initiative to raise a number of allegations.

Mr RYAN: That is my role, Mr Ryan.

The Hon. JOHN RYAN: What allegations did you specifically make that were of concern to you when you spoke to Mr Wedderburn?

Mr RYAN: I outlined to Mr Wedderburn a range of concerns that I had with the history of the site, with the personalities involved, with the irregular processes and the approval levels.

The Hon. JOHN RYAN: Look, do not muck around, Mr Ryan. Which personalities did you name? You have been naming names before. What names did you use when you spoke—

Mr RYAN: The names I can definitely remember mentioning to Mr Wedderburn were Mr Gazal, Mr Mosca, Mr Bargshoon, Phuong Ngo, Mr Tripodi, Councillor Beuk. They are the names I can say with certainty I mentioned.

The Hon. JOHN RYAN: What allegations did you make of corrupt or wrongful conduct? So far it appears that what we have got is a group of people who know each other and who have made representations to each other, but I have not yet heard anything that you have specifically mentioned that they have done wrong. What did you say that they had done wrong?

Mr RYAN: I raised my concerns about the irregularities in the processes I outlined in my statement. I made it clear to him that Westfield was a company that operates in this environment on a daily basis and has done for more than 40 years. I believe this to be—

The Hon. JOHN RYAN: So, Mr Ryan, what words did you use—

The Hon. JAN BURNSWOODS: Oh, can you let him answer the question?

The Hon. JOHN RYAN: No, I am not going to have a general summary. I want to know the words you used to Mr Wedderburn. You referred to these four or five individuals. What did you actually say that they did, the words you used, not a summary of them, the actual words?

Mr RYAN: I could give you my recollection of some of the phrases I used to describe this process. I cannot give you a verbatim account of my discussion with Mr Wedderburn.

The Hon. JOHN RYAN: One of the things that helps us determine whether people are telling us the absolute truth is the degree to which they can remember exactly what they said, not their summaries.

Mr RYAN: Mr Ryan, that is a matter for the Committee. I can tell you what I can remember. I cannot do more than that.

The Hon. JOHN RYAN: Tell us what you can remember about what you said with regard to Mr Bargshoon. What did you say about him?

Mr RYAN: I said that Mr Bargshoon was heavily involved in local politics, that he had a history of branch stacking.

The Hon. JOHN RYAN: What did he have to do with this?

Mr RYAN: I understood at the time that he had a cleaning contract with—

The Hon. JOHN RYAN: No, what did you tell Mr Wedderburn that he did?

Mr RYAN: I told Mr Wedderburn that Mr Bargshoon was intimately involved with this process and had been with the original rezoning approval process back in 1995 when there had been allegations of bribery, when a now convicted murderer had been recruited to represent the interests of Gazcorp—

The Hon. JOHN RYAN: They were the words you used, "now convicted murderer"? Did you say that?

Mr RYAN: I cannot remember verbatim but it would have been words to that effect. It was no secret to Mr Wedderburn who Mr Phuong Ngo was

. I did not need to spell that out chapter and verse.

The Hon. JOHN RYAN: What relationship did you say Phuong Ngo had? Whom did you say Mr Phuong Ngo had a relationship with?

Mr RYAN: I said that he had lobbied on behalf of Gazcorp over the Orange Grove site in 1995.

The Hon. JOHN RYAN: You would be aware that Mr Phuong Ngo had lobbied lots of people within the Labor Party and had a relationship with many members of the Labor Party.

The Hon. JAN BURNSWOODS: Point of order: When the witness was dealing with this matter before John Ryan took a point of order and prevented him going through the detail of the attempted bribery by Phuong Ngo of \$70,000. You stopped him saying it earlier. Now you are haranguing and harassing him and complaining that he is not going into detail. You cannot have it both ways. I would ask you, Madam Chair, to allow the witness to finish, rather than when John Ryan fears what he might say and then haranguing him while he is saying other things.

CHAIR: There is no point of order. Mr John Ryan is seeking clarification and further detail in relation to the witness's statement.

The Hon. JOHN RYAN: What words did you use about Mr Gazal in which you alleged him of wrongdoing?

Mr RYAN: I said to Mr Wedderburn that Mr Gazal had a history of using extreme tactics in lobbying.

The Hon. JOHN RYAN: Did you use the words "extreme tactics"?

Mr RYAN: I did.

The Hon. JOHN RYAN: Did you explain what that meant?

Mr RYAN: I did.

The Hon. JOHN RYAN: What did you say it meant?

Mr RYAN: That was in the context of making reference to the involvement of Mr Phuong Ngo and the attempted bribery of a public official over the rezoning of Orange Grove Road in 1995.

The Hon. JOHN RYAN: Did you accuse Mr Gazal—

Mr RYAN: In my meeting with Mr Wedderburn I was careful not to make accusations or make statements to him that I could not back up or verify. As I said in my statement, I did not tell Mr Wedderburn that it was going to rain but I said that there was lots of thunder and lightning about and the Government should prepare itself and have an umbrella.

The Hon. JOHN RYAN: When did you prepare the diagram?

Mr RYAN: I prepared the diagram I brought to the Committee today over the past few days knowing that I would be appearing here. I cannot remember the exact date but it would have been in early April. I am not sure whether it was after or prior to 13 April. It was certainly in that timeframe.

The Hon. JOHN RYAN: Did you have that diagram prepared in some form prior to speaking to Mr Wedderburn?

Mr RYAN: Yes.

The Hon. JOHN RYAN: Where did you get your information for the material in that diagram?

Mr RYAN: From the public record.

The Hon. JOHN RYAN: I do not think that is sufficient.

Mr RYAN: From newspaper articles, from—

The Hon. JOHN RYAN: How did you know that Mr Tripodi was lobbying on behalf of Mr Gazal?

Mr RYAN: I did not know that he was lobbying. I knew that he had an association with Mr Bargshoon.

The Hon. JOHN RYAN: How did you know that Mr Tripodi had an association with Mr Gazal?

Mr RYAN: I am not sure if I said that he had an association with Mr Gazal but I was certainly aware that Mr Bargshoon and Mr Tripodi knew each other well.

The Hon. JOHN RYAN: How did you know that?

Mr RYAN: From newspaper articles.

The Hon. JOHN RYAN: What newspaper articles?

Mr RYAN: I could provide them to the Committee but I can assure you that I have read several articles.

The Hon. JOHN RYAN: How did you know that Mr Tripodi had anything to do with lobbying on behalf of Mr Gazal? I am sure that there would be many people that might have met Mr Gazal at various times. I am sure that he has even met the Premier on occasions. Why did you know that Mr Tripodi was an important person to include on your diagram?

Mr RYAN: Because I knew that he was close to Mr Bargshoon and that he was a local member of Parliament for the area.

The Hon. JOHN RYAN: The Committee has evidence that Mr Tripodi had nothing much to do with this until around the same time that you made your phone call.

Mr RYAN: I was not asserting at the time I drew my diagram that Mr Tripodi was involved. It was a diagram which outlined the relationships at a Liverpool level between Gazcorp and a range of people who would be, could be, involved in this process in some way. I knew from the public record from newspaper articles that Mr Bargshoon was very close to Mr Tripodi, that they had very close political links, that they operated in concert on political matters and at the time, without making any allegations or accusations against Mr Tripodi, he was a member of Parliament in the area with a clear and obvious link to Mr Bargshoon. That is why I put his name on that chart. He was one of a number of people who were connected to this process in some way, shape or form.

The Hon. JOHN RYAN: Going on to the meeting that you had with Mr Wedderburn, what concerns did you raise carefully with him about the allegations? My difficulty with your evidence so far is that you have not raised what sound to me to be substantial issues of corruption. Yet you were saying that people were behaving corruptly. But there is not a substantial issue of corruption.

Mr RYAN: You are characterising what I said to Mr Wedderburn. I said to Mr Wedderburn that there was enough history and that Gazcorp had enough form in unconventional lobbying to make my concerns valid. I did not have documentary evidence of corruption; what I had was what I explained to you in my opening statement. I had grave concerns about the influence that might be brought to bear on the Minister. Those grave concerns were based on a decade-long history of unconventional tactics by this very company. That is what I was bringing to his attention. I was not saying that I had photographs, evidence, detailed documents. What I had was a series of irregularities, highly unusual practice at the council level, highly unusual practice in terms of Mr Gazal's dealing with tenants in the way that the leases were prepared or not prepared.

The Hon. JOHN RYAN: Did you raise that issue with the Premier's chief of staff?

Mr RYAN: I believe I raised it in passing that there were concerns that various of our executives had heard that there were irregularities. I am not sure whether I told Mr Wedderburn that we were aware at the time of the Land and Environment Court hearing a lease had been executed. I may have done but I cannot be certain of that.

The Hon. JOHN RYAN: Did you make any report to the Independent Commission Against Corruption?

The Hon. JAN BURNSWOODS: Time just expired, Mr Ryan.

Mr RYAN: No, I did not.

The Hon. JOHN RYAN: Has anyone at Westfield done so?

Mr RYAN: No.

Ms SYLVIA HALE: You say that Mr Wedderburn advised you to go on to the ICAC. Why did you not do so?

Mr RYAN: Mr Wedderburn told me that if I had evidence I should take that evidence to ICAC. My view was, and that of Westfield's legal advisers was, that we did not have material that amounted to evidence that would be worth taking to ICAC. As it turns out, I now know that at or about the time that I was meeting with Mr Wedderburn ICAC was already investigating the matter—or making inquiries into the matter. So from where I sit today I feel somewhat vindicated in raising these concerns in the way that I did.

Ms SYLVIA HALE: So you are saying that you had no material evidence. Would you agree that you have produced no material evidence of any act of corruption to today's hearing?

Mr RYAN: Correct.

Ms SYLVIA HALE: You would agree that there was no material evidence?

Mr RYAN: Agreed.

Ms SYLVIA HALE: You have come here named people and suggested that there is this web of influence but you have no material, specific evidence to sustain that accusation—those charges?

Mr RYAN: I have never made that accusation. What I took to the Government was a history—this was going on for 10 years. Mr Gazal was trying to force on the Orange Grove site a rezoning that was illegal. There was 10 years history of him resorting to tactics such as hiring people like Phuong Ngo, who then approached public officials offering them money. These are the sorts of tactics that were employed at the time. I was saying that this paints a history: These people have form when it comes to the unconventional. I was bringing that to the attention of Mr Wedderburn so that he could ensure that those influences, those tactics, were not now brought to bear on the Minister who was about to make a decision on rezoning the site. That is what I was there to do.

Ms SYLVIA HALE: You say that Mr Gazal was inappropriate, presumably because he either approached the council or tried to approach the Minister via Mr Tripodi interceding on his behalf. Would you agree?

Mr RYAN: I am sorry?

Ms SYLVIA HALE: Would you agree that the methods that Mr Gazal seems to have used would be to have either attempted to approach the Minister, Craig Knowles, or tried to get Mr Tripodi to intercede on his behalf with Minister Beamer? Would you agree that that is what seems to have happened?

Mr RYAN: I am not sure. From what I have read in the newspapers since this matter has been reported that is my understanding of what happened. But when I met with Mr Wedderburn I could not be sure.

Ms SYLVIA HALE: The Committee has heard evidence that Mr Gazal tried to arrange a meeting with Minister Beamer but found that it was unsuccessful. But he had a meeting with Minister Knowles at 6.30 in the morning that seems to have lasted all of five minutes. That has been the extent of his contact with Ministers.

Mr RYAN: I understand that he made several of his representatives make a number of phone calls to the Minister's office.

Ms SYLVIA HALE: But you obviously also made phone calls —

Mr RYAN: We did not make 40 phone calls to Minister Beamer's office, I can assure you of that.

Ms SYLVIA HALE: But you obviously made a lot of representations. If you look at this list of letters and whatever—

Mr RYAN: Over time we certainly did, yes.

Ms SYLVIA HALE: Fair enough. Would you agree that anyone who has a development application—particularly when there is a lot of money involved—has an interest in trying to ensure that that development application, or in this case rezoning, proceeds fairly expeditiously because there is so much at stake? So it is not unusual for people to either ask the council if it is handling those affairs or, if it has gone to DIPNR, try to find out what is happening.

Mr RYAN: Westfield had no issue with Gazcorp meeting with people in that sense. People, in my view, are entitled to make representations to government. Members of Parliament are entitled to make representations to government. That is their role. I do not see anything wrong with that. What I was doing was setting out for Mr Wedderburn, who was unaware of a history of this project and the history of Gazcorp, these matters so that he could ensure that the decision was decided on its merits. That was our concern; our concern was not that Mr Gazal might have a meeting or not have a meeting with Minister Beamer. At the time we were seeking a meeting with Minister Beamer. But we did not take it to the extent of getting in our car and driving to Minister Beamer's home, or Minister Knowles's home, at 6.30 in the morning or at midnight. We regard that as unconventional and inappropriate lobbying and we did not do it.

Ms SYLVIA HALE: Right. But you would agree that the extent of Mr Gazal's contact with any Minister was five minutes with Mr Knowles?

Mr RYAN: I do not know.

Ms SYLVIA HALE: That is the evidence that the Committee has been provided with. But there is evidence from the documents supplied by Westfield to the Committee that you were at a meeting with Mr Knowles attended by Mr Lowy—

Mr RYAN: Mr Steven Lowy.

Ms SYLVIA HALE: Yes. Mr Ryan—you—Mr Jordan and Mr Levins all had a meeting with Mr Knowles on 17 November.

Mr RYAN: Correct.

Ms SYLVIA HALE: So you obviously went to the top so far as planning is concerned. Then you subsequently had a meeting with the Premier's Chief of Staff on 19 April. So it would be reasonable to conclude that you were far more successful in lobbying Ministers than Mr Gazal ever was.

Mr RYAN: No, I do not agree with that at all. How successful—

Ms SYLVIA HALE: Well, how long was your meeting with Mr Knowles?

Mr RYAN: Excuse me, can I answer the question? How successful was Westfield in lobbying Mr Knowles? We met with him on 17 November and four days later he went and cut the ribbon at the centre and made a speech in support of the project, I am told. The meeting that we had with Mr Knowles on 17 November

2003 was a meeting that had been arranged, or sought, some weeks in advance of that. My recollection is that Minister Knowles was given responsibility of the planning portfolio in maybe April, or around that time, of that year. In the normal course of business we would seek a meeting with the Minister once he comes into that portfolio. We had a range of issues and concerns that we wanted to bring to the Minister's attention. The prime concern we had in seeking the meeting on 17 November was about the overall planning regime in New South Wales and the extent to which we believed it was being undermined by projects like Orange Grove Road. We did not ring Minister Knowles for the November meeting to say, "Can we come and see you about Orange Grove?" This was an entirely proper routine meeting that was held with the Minister the Planning and the chief executive of our company to discuss matters of concern and interest to Westfield.

I know from experience that Premiers and Ministers conduct these sorts of meetings every single day of the week. It is their job. We have a responsibility to put our views to them, and that was the context in which that meeting occurred. I now know that if we are talking about access to Ministers we did not have access to Mr Knowles's home address. We did not turn up to his home. We did not get him to come and open our shopping centre. There was a lot of access available to Mr Gazal. Let me say this. Mr Gazal has no problem wielding influence. He has no problem getting to see the people he needs to get to see. He has no problem getting people like the planning Minister to open his shopping centre when the planning Minister knows that there is legal action afoot. That suggests to me that Mr Gazal has more than enough influence and is able to represent himself quite ably.

Ms SYLVIA HALE: But if you are saying that there are all sorts of irregularities in the procedure to date it also suggests that Mr Knowles acted incredibly improperly in agreeing to open the centre.

Mr RYAN: I would not say that.

Ms SYLVIA HALE: I think that would be a deduction that one could possibly draw from the line of evidence.

Mr RYAN: It is not one that I would. If you are seeking my personal opinion of Mr Knowles's involvement in opening the centre, I regard him as being just another victim in the saga. He was put upon to open this centre and, as I outlined in my statement, Gazal wanted him to open the centre, knowing that the whole process was dodgy and that it was the subject of a court case. He knew that when Gazcorp turned up in the Land and Environment Court they could say, "We've had the Minister open this; it had an 'official' opening". The Minister, because of his local political presence, felt obliged to go and open it, as I think he has explained. It is not my job to speak for Minister Knowles but my personal opinion is that he was another person who was used by Mr Gazal.

Ms SYLVIA HALE: Mr Ryan, you speak about the irregularities of the approval by Liverpool council. You realise that the approval of Liverpool council was given by the administrator, Gabrielle Kibble, a former director of the Department of Planning and a woman with extraordinarily good planning qualifications. Would you agree?

Mr RYAN: I do not know Ms Kibble but that is my understanding, yes.

Ms SYLVIA HALE: So when you are talking about irregularities, are you suggesting that when Ms Kibble had quite a hands-on involvement with the preparation of the plan she was subject to pressures from Mr Gazal or people in the area?

Mr RYAN: No, I am not suggesting that at all.

Ms SYLVIA HALE: If she has made the plan, has agreed to it and has passed it on to the Minister—and you admit that she has very good qualifications—what irregularities are there in that process?

Mr RYAN: I have never suggested any irregularities involving Ms Kibble as the administrator. Ms Kibble was passing back to the Government an application to rezone the site and my understanding is that she referred it back to the Government making it very clear that she was passing it back not for planning reasons but for other reasons. In other words, she was not considering the matter on planning merits; she was considering it on economic and social issues, as I understand it. She was the administrator of a council, she was acting in the interests of the council and she was putting it back to the Government in that capacity, not because she

necessarily thought it was a terrific thing on planning grounds but because there were other arguments from her position as the administrator of the council, trying to protect the council that I am told potentially could have left itself open to legal action. So I can entirely understand why Ms Kibble would have sent it back to the Government.

Ms SYLVIA HALE: Mr Ryan, Ms Kibble has been attacked—or at least doubt has been cast on her decision because she supposedly made it on social and economic grounds. Can I read you—

Mr RYAN: Not by Westfield.

The Hon. JAN BURNSWOODS: Only by you. Nobody else has passed any judgments about Ms Kibble.

Ms SYLVIA HALE: There have been assertions made that she—

The Hon. JAN BURNSWOODS: Only by you.

Mr RYAN: Not by me.

Ms SYLVIA HALE: By people who have given evidence to this Committee.

The Hon. JAN BURNSWOODS: Who? Name one.

Ms SYLVIA HALE: There have been assertions that in making her decision she made it not on planning grounds but because of social and economic considerations. Can I read to you, Mr Ryan, the objects of the Environmental, Planning and Assessment Act 1979, section 5—

Mr RYAN: Is that 1979 or 1997?

Ms SYLVIA HALE: This is the Act that is currently in force. Section 5 says—this is the first one—"The objects of this Act are to encourage ... the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas"—

The Hon. JAN BURNSWOODS: Point of order: Is Ms Sylvia Hale having 10 or 20 minutes?

CHAIR: She is having 10 minutes.

The Hon. JAN BURNSWOODS: Well, she has now had well over 10 minutes. Perhaps that can be drawn to her attention and we can move on.

Ms SYLVIA HALE: I would like to finish this point. The Act refers to the proper management, development and conservation of land, cities, towns and villages "for the purpose of promoting the social and economic welfare of the community and a better environment." So I put it to you, Mr Ryan, that in fact Ms Kibble's decision was perfectly regular and perfectly in line with the objectives of the Act and for you to suggest that there was a cloud over what Liverpool council did—

Mr RYAN: I have never suggested that there is a cloud over Ms Kibble's decision to send it back to the Government.

Ms SYLVIA HALE: Well, what irregularities then—

Mr RYAN: I have referred to irregularities with council approvals stretching back to June 2002.

Ms SYLVIA HALE: That council was not operational when that decision to approve the plan was made.

Mr RYAN: If I can respond, Madam Chair, Westfield has no problem whatsoever with what Ms Kibble did. Ms Kibble has never been the focus of our concerns in any way whatsoever. As I have said, my understanding is that Ms Kibble referred the matter back to the Government for the reasons that she has made clear and outlined—for social and economic reasons. Westfield's concern has always been that this matter be

considered on its planning merits. Remember that Westfield had not one but two court decisions—the Land and Environment Court and three judges in the Court of Appeal, who found that this was an unlawful development. It is contrary to the council's own LEP 1997, I understand, and it was struck down on that basis.

Ms. Kibble, as I understand it, being in the position administrator, found herself with this matter on her desk with the cloud or prospect of some sort of legal action being taken against the council, and a range of other matters, in addition to planning considerations that she needed to take into account, and she made her decision. I can understand the decision she made. My concern was then with the Minister and the decision the Minister was about to make, and the influences that could be brought to bear on the Minister. I have never suggested that Ms. Kibble was subjected to any undue pressure, any inappropriate behaviour or that she handled the matter in anything other than an entirely proper way.

The Hon. JOHN RYAN: Why was she going to take all that pressure better than the Minister? Why did you not intervene before she had it?

Mr RYAN: We had. My understanding is we made representations. We put our case to Ms. Kibble.

The Hon. JOHN RYAN: You did not suggest to Ms. Kibble that corrupt conduct that influenced the decision to date—

Mr RYAN: I am not familiar with the detailed submission that we made to Ms. Kibble. All I know is that we made a number of submissions.

The Hon. DAVID OLDFIELD: A few moments ago you very plainly said that Ms. Kibble made her decision on social and economic reasons and not planning reasons. Do you have a different understanding of planning reasons than the Act?

Mr RYAN: I am not a planning expert.

The Hon. DAVID OLDFIELD: What is your understanding?

Mr RYAN: I am telling you what I was told. I was advised that Ms. Kibble made the decision she made for social and economic reasons, and that the core concern that Westfield had always had, that is, that it was an unlawful development and should be struck down on planning grounds was not part of her decision to forward the matter back to the Government.

The Hon. DAVID OLDFIELD: Do you have a different understanding of planning considerations that do not include social and economic?

Mr RYAN: I cannot answer that question because I am not in a position to comment on the Act. I am sure if we could invite Mr Ingam or one of the planning experts who is more familiar with this matter I am sure he will be able to clear up the matter for you.

The Hon. DAVID OLDFIELD: A moment ago you made it plain to the committee, essentially you said that Ms. Kibble's decision was not based on planning but on social and economic reasons.

Mr RYAN: I am more than happy for a Westfield representative who is more familiar with this issue, and the questions Mr Oldfield is asking me, to come and appear and clear up the matter. I am just giving a general response to the general assertion that was made, the impression created, that Westfield in some way had a problem with Ms. Kibble and the decision she made.

The Hon. DAVID OLDFIELD: Did you take the educational chart with you to the meeting with Mr Wedderburn?

Mr RYAN: No.

The Hon. DAVID OLDFIELD: You have made that chart since?

Mr RYAN: No, I drew a chart at the time prior to my meeting and that is a replica of that chart.

The Hon. DAVID OLDFIELD: Did you do a flow chart on a piece of paper for him on the day?

Mr RYAN: Did I do one for Mr Wedderburn?

The Hon. DAVID OLDFIELD: Yes.

Mr RYAN: No.

The Hon. DAVID OLDFIELD: You said that people in Westfield alerted you to irregularities in the process? Who were they?

Mr RYAN: A number of development executives who had been working on the project over time. The names of the executives—and this might not be an exhaustive list because there could have been a number—are Mr Justin Lynch and Mr Greg Miles in the main. They were the two principal executives who were involved in the matter. Some of them at one time or another were more intimately involved with the process. An example of one of the glaring irregularities these gentlemen brought to my attention was the fact that the council approved the development one day after the closure of advertising which they characterised to me as being a candidate for the Guinness Book of World Records in terms of local government efficiency. Never before in Westfield's long history has it seen an approval like this given such speedy consideration in the way it had, and such quick approval, one day after the advertising had closed.

The Hon. KAYEE GRIFFIN: Has Westfield met with any members of the New South Wales Opposition in relation to Orange Grove?

Mr RYAN: Yes. In relation to State planning matters generally, and specifically in relation to this, yes.

The Hon. KAYEE GRIFFIN: Has Westfield met with the shadow planning Minister?

Mr RYAN: Yes.

The Hon. KAYEE GRIFFIN: When?

Mr RYAN: I can provide you with the exact date but it was recently in the past few months, certainly six months.

The Hon. KAYEE GRIFFIN: Was that in relation to Orange Grove?

Mr RYAN: I was not at the meeting but I am sure, given that Westfield's primary planning concern in this State is what is referred to in the jargon as SEPP 66, SEPP 66 would have been the first item on the agenda. Orange Grove Road is the most glaring example of how SEPP 66 is being undermined but as I said, I did not attend that meeting.

The Hon. KAYEE GRIFFIN: Do you know who attended that meeting?

Mr RYAN: I cannot recall. I can confirm this but possibly Mr Greg Miles, our chief operating officer Mr Bob Jordan and Mr Matthew Abbott.

The Hon. KAYEE GRIFFIN: Did Westfield raise concerns about the approval process for Orange Grove?

Mr RYAN: I was not at the meeting so I am not sure. I am not aware of that.

The Hon. KAYEE GRIFFIN: Do you know if any comments in relation to probity issues about the approval process were made?

Mr RYAN: No, I am not sure.

The Hon. KAYEE GRIFFIN: Has Westfield met with the Leader of the Opposition, Mr Brogden, to discuss the Orange Grove matter?

Mr RYAN: Yes.

The Hon. KAYEE GRIFFIN: When?

Mr RYAN: Again I cannot be sure of the exact date but sometime in mid-July.

The Hon. KAYEE GRIFFIN: Did you attend that meeting?

Mr RYAN: I did not.

The Hon. KAYEE GRIFFIN: Do you know who attended the meeting?

Mr RYAN: Yes, Mr Bob Jordan and Mr Greg Miles, I believe.

The Hon. KAYEE GRIFFIN: Who initiated the meeting?

Mr RYAN: The meeting was initiated following a discussion between Mr Brogden and Mr Steven Lowy. Mr Steven Lowy offered to arrange for Mr Jordan and Mr Miles to meet with him to talk to him about Orange Grove and the process.

The Hon. KAYEE GRIFFIN: Do you know if the probity concerns about the centre's approval process was raised at the meeting?

Mr RYAN: I am not aware that it was. I am sure that they would have made it clear that we had grave concerns with the process but again, I was not at the meeting so I am really not able to give you detail about what was said. The purpose and the whole point of the meeting was that Mr Brogden had been alleging improper behaviour, or the potential for improper behaviour on the part of Westfield. He had said publicly that he wanted to know specifically what threats or promises Westfield had made in this process. We were able to assure him that there were no threats or promises made. We were concerned to bring that to his attention directly. We did so, and to assist Mr Brogden to have a greater understanding of the site of Orange Grove Road the meeting with Mr Jordan and Mr Miles was arranged.

The Hon. KAYEE GRIFFIN: What comments were made at that meeting?

Mr RYAN: I am unaware.

The Hon. KAYEE GRIFFIN: In your opening statement you mentioned the way Liverpool council handled this development. Was Westfield aware when the original development application was advertised?

Mr RYAN: No. To my knowledge the first advertising started in late October, early November. We were unaware of it. We did not become aware of the project until early 2003, February or March or thereabouts. As soon as we became aware of it we commenced legal proceedings, et cetera. We always understood that this site was zoned for bulky goods. My understanding is that the site can still trade today as a bulky goods centre. The description of what the council had approved in the advertisement it placed, even had we seen it, would not have led us to believe that what was proposed for that site was a fully fledged shopping centre. That is the advice I have been given by our development executives who are more familiar with these things than I am.

The Hon. KAYEE GRIFFIN: You did not see a copy of the original advertisement?

Mr RYAN: The only advertisement that I am aware of is the one that is referred to often as being on page 33 of the *Liverpool Champion* and that is the only one I have seen ever.

The Hon. KAYEE GRIFFIN: You did not see that until Westfield took action?

Mr RYAN: I am not sure when our development executives would have actually seen that advertisement. It was clear that we did not see it and I am sure that was exactly the outcome that Mr Gazal was seeking.

The Hon. KAYEE GRIFFIN: Do you agree with how your relationship was described as a friend of Mr Wedderburn in a newspaper article and radio reports? You gave evidence about your meetings with Mr Wedderburn.

Mr RYAN: I know Mr Wedderburn by reputation by and large. For a long while I was involved in government. Mr Wedderburn has been involved in government for a long time too. We have held similar positions over the years. In that context I was aware of him just as I am aware, for example, that Arthur Sinodinos is the Prime Minister's current chief of staff. Do I know him? Yes. Have I met with him? Possibly once so I know these people in that context. Do I regard Mr Wedderburn well? Yes, I do. He has a reputation for being a very professional and thorough political chief of staff who is highly regarded in those circles. That is what I know of Mr Wedderburn but to describe me as a friend is not true. I do not see him socially. I have never had a lunch or a drink with Mr Wedderburn. I have never visited his home. Apart from the contacts that I have already described, I do not know him. If I saw him in the street I would shake his hand and say "Hello" and exchange pleasantries and we would move on. But to describe him as a friend is taking things way too far.

The Hon. KAYEE GRIFFIN: Would you describe the relationship between Mr Lowy and Mr Carr as a professional acquaintance rather than a close friendship, as media reports have indicated?

Mr RYAN: Yes, I would. Mr Lowy, as I think everybody is aware, has been a senior business figure in New South Wales for more than 50 years. His business now is extensive. It is a major contributor to the State's economy, employing thousands of people. It is a major business with extensive interests and in that context he knows the political leaders. He has known Premiers going back many years. He has known Leaders of the Opposition going back many years. I have worked for Mr Lowy now for 10 years and in that time that I have been there, my knowledge is that Mr Lowy conducts himself entirely appropriately with the people that he comes into contact with at a political level.

In fact, he spelt out his approach to dealing with governments at some length in a major speech to shareholders two or three years ago. In that speech he outlined his belief—detailed, in fact, his belief that he, that the company, had an obligation to represent its interests to Government and to Oppositions and that those should be done in a fact-based manner, using conventional means, and that they should deal with issues on their merits, et cetera. So, again to describe Mr Lowy as a friend of Mr Carr is not entirely accurate. They are friendly; they regard each other well but then Mr Lowy regards, I think, Mr Brogden well. I think he regards most political leaders in the country well and I would characterise, having been there 10 years and watched his relationships develop with these people, I would put his relationship with Mr Carr on the same footing as his relationship with the Prime Minister or the former Premier of Victoria, Mr Kennett, or Premier Beattie or any of these people.

As far as I know he does not socialise with Mr Carr. He would see him from time to time at functions. I would think he would probably see him maybe three or four times a year. Sometimes it involves matters that are not to do—in fact, in recent times mostly not to do with Westfield business; in recent times it has been mostly to do with the establishment of Mr Lowy's Institute for International Policy. It is well known that the Premier takes a close interest in international affairs, in US politics. Westfield has major extensive business interests in the US. They sometimes discuss these matters generally. Again, last year Mr Lowy met with Mr Carr regarding Mr Lowy's involvement in the task force dealing with soccer in New South Wales, so there are a range of issues and reasons for them to come into contact that are not necessarily related to Westfield's business.

The Hon. KAYEE GRIFFIN: As the Government is required to do with inquiries into councils, when the inquiry was held into Liverpool council before the elected members were removed from council, did Westfield give any evidence or make any submissions to the inquiry?

Mr RYAN: Not that I am aware of.

The Hon. KAYEE GRIFFIN: In terms of that one, nothing happened with that. The approvals process that operated at Liverpool council at the time that Orange Grove was approved originally—I think you made comment previously in your submission—but do you have grave concerns that approvals for such a large site

within an area where the LEP does not allow that development but also that the council operated and approved it under delegated authority—do you have concerns in relation to how a site that large could have been dealt with by a council as big as Liverpool, given that it is in a growth area?

Mr RYAN: Yes, we did. Westfield had grave concerns about the process at council level and, as I think the Committee now knows, I am not a planning expert but I have been involved with governments at various levels for many years and I have never been made aware—a process like this has never ever come to my attention before. Here was a major positive development that councillors now seem to be championing and defending and promoting as a terrific addition to the neighbourhood and I am asked to believe that at the time they were deaf, dumb and blind about the matter.

We were asked to believe that this was dealt with by an arms-length bureaucrat in Liverpool council, who sat quietly in his office, with a blindfold on and earplugs in, speaking to no-one, seeing nothing, hearing nothing, and he sat there and decided this on its merits, with no material involvement from Mr Turrisi and no involvement from any councillors, no involvement from Mr Beut, who was the councillor responsible for major projects in the area. I was concerned about it, Westfield was concerned about the process because we had, among many other examples like this, a document that showed, apart from pointing out what we now all know, that the council had not adhered to its own processes in properly advertising the site, but that the process would go no further in council until a person identified on this piece of paper as GT, who I assume is Gerard Turrisi, spoke with councillors and the Lord Mayor about it.

CHAIR: The Lord Mayor?

Mr RYAN: This was just one fact that I was aware of that led me to believe that there were very strange goings-on in the corridors of the Liverpool council, so I just found it more than passing strange, that such a terrific project and I say, I have worked with politicians over the years and in my experience a local politician with an opportunity to be involved in such a terrific project that would generate hundreds of jobs and make everybody happy, why that politician would not want to be involved and champion the process is beyond me. I have never seen the likes of it.

The Hon. KAYEE GRIFFIN: In your experience with Westfield, when there are changes to Westfield shopping centres, extensions or whatever may happen, dealing with any other local government bodies, what is the process that occurs?

Mr RYAN: We embark on work through the proper processes. Again, this is something that others might be better qualified to describe for you because I am not familiar with the detailed process that is undertaken, but I can tell you that there are a range of factors to be concerned, everything from State planning law, local environmental plans, environmental issues, social impact statements, environmental impact statements, consultation with the local community, public advertising of what is proposed. Often we prepare plans and models of the redevelopment and put them on public display so that people can be aware of what is proposed.

This is not to say that every time Westfield seeks to undertake a development, that the project proceeds in entirely the way we would like. Our experience is often that our plans need to be amended to take account of either public concerns or details of planning policies or other issues that the authorities or the community might raise. So our philosophy, if you like, or our approach generally is to say, "We will approach this development on its merits through the proper processes and we will keep an open mind as to what changes might be necessary as dictated by authorities or, in some cases, the community, consistent with us meeting our obligations to shareholders, investors and the retailers who take space in those centres".

The Hon. KAYEE GRIFFIN: So the fact that the Orange Grove development was basically just done by a senior planner, as evidence before this Committee has said, with one letter from the person who was that senior planner's manager, all took place with advertising and was approved by delegated authority the day after the advertising process closed, would lead you to perhaps think that it was done in a very different way to any large development that would have an impact for the general public?

Mr RYAN: A very, very, very different way, to our experience, a very different way. As I have already said in my statement, when this application was first lodged, the council threw it back in the face of Gazcorp and, in effect, was saying, "This is a joke. You know very well this site is not zoned for shops. The application

you have lodged is pathetic; it doesn't have any detail or specifics. Try again" and, boy, did they try again, and kept trying and kept trying and kept trying until they forced it through. And then we got the Land and Environment Court to finally blow the whistle and say, "Hang on, illegal" and then they tried again and appealed and it took three judges of the Appeal Court to knock it down again and he still kept getting up. So was this an unusual process from our experience? Absolutely it was.

CHAIR: Each batch of members has indicated they have further questions so I propose to go for another batch of blocks of 10 minutes each around the table.

The Hon. JAN BURNSWOODS: Does that mean that we will break at 20 to 2, because we have already decided to have a deliberative at 2, even though our next witness is coming at 2? Can we get that straight, please?

CHAIR: Yes. Mr Ryan, are you available for another batch of questions?

Mr RYAN: Now?

CHAIR: Yes, until 20 to 2?

Mr RYAN: Sure.

CHAIR: We have a deliberative at two o'clock, so we will have to consider whether we still have questions for witnesses. We will proceed on that basis. Mr Ryan?

The Hon. JOHN RYAN: Mr Ryan, was your phone call to the Premier's Office prompted in any way by the decision made by Gabrielle Kibble on 13 April to refer the LEP to the Government?

Mr RYAN: Was it prompted by that decision?

The Hon. JOHN RYAN: Yes?

Mr RYAN: It was prompted by, yes, the knowledge that this decision was now being referred to the State Government. My recollection of what was in my mind at the time was that this matter was over. As I have said, I was not necessarily—I was not intimately involved in the process. We have a division that was dealing with it, executives that were dealing with it. I was aware of the court hearings. I was aware that the Court of Appeal was happening. I can recall somebody informing me of the Court of Appeal decision and, to be honest, when I heard the Court of Appeal decision I thought that was it; I thought that was the end of the matter. It was then brought to my attention that, no, it might not be the end of the matter because it may now go to the administrator, who may refer it back to the Government. When I learnt that it was being referred back to the Government, that is when I initiated my call to Mr Wedderburn.

The Hon. JOHN RYAN: When you made your submissions to Mr Wedderburn, what did you want him to do?

Mr RYAN: Well, I think not want him to do anything other than give me some assurance. I wanted to leave that meeting being assured by—feeling assured that he was aware of my concerns that the matter would be dealt with on its merits and that was my concern in going to meet with him and that is what I sought from the meeting. That assurance was given and I felt I had been given that assurance; I felt comfortable with his comment to me—

The Hon. JOHN RYAN: We have limited time, Mr Ryan. You have answered my question.

Mr RYAN: I felt comfortable with what he had told me.

The Hon. JOHN RYAN: Did Mr Wedderburn tell you—

Mr RYAN: Madam Chair, am I allowed to finish?

The Hon. JOHN RYAN: You are, if you want to come back for another couple of hours. Your answers are somewhat lengthy.

The Hon. Jan Burnswoods: Now we get the threats and the panic sets in. He asked the chair a question, not you.

Mr RYAN: If I need to confine myself to yes and no and short answers, that is fine, but am I allowed to answer in the way I see fit?

CHAIR: If you could answer your questions as speedily as possible rather than drawn-out ones.

Mr RYAN: Okay, could you repeat the question?

The Hon. JOHN RYAN: No, I do not wish to repeat the question. You have answered it. Did Mr Wedderburn tell you that your phone call had been discussed with the Premier?

Mr RYAN: No, he did not.

The Hon. JOHN RYAN: Did you want him to bring this matter to the attention of the Premier?

Mr RYAN: I assumed that he would.

The Hon. JOHN RYAN: Did you ask him to do that? Why would you assume it?

Mr RYAN: I cannot recall saying to Graeme Wedderburn tell the Premier about this, but I have been in Mr Wedderburn's position many times and my understanding was that if I were bringing these matters to his attention he would raise them with the Premier. When he would raise them, how he would raise them, I had no idea but I have enough confidence in Mr Wedderburn's judgment and ability that he would handle that matter. I did not need to give him advice about how he would handle information I was putting to him.

The Hon. JOHN RYAN: Did you leave some material with Mr Wedderburn and, if so, what was it?

Mr RYAN: I left with Mr Wedderburn, I think, some legal advice we had received. The reason for doing so was that one of my concerns at the time was that the prospect of legal action would be used as a threat to blackmail either the Minister or the Government, and I think—I must say, I cannot be sure—that I left this document with him. I am fairly sure I did. It was a letter, a legal letter.

The Hon. JOHN RYAN: Is it a letter from Minter, Ellison dated 19 April?

Mr RYAN: Yes.

The Hon. JOHN RYAN: Does it include the words:

In the circumstances where the council has recommended to make a local environment plan and the Minister declines to do so there can be no possibility of negligence by the council as the council has taken every step to remedy the situation, namely, to recommend to the Minister to amend the LEP. If the Minister declines to amend the LEP that is a decision solely within the problems of the Minister and cannot give rise to any suggestion that Liverpool council has not taken every step to remedy concerns by Gazcorp regarding council's conduct.

Does that sound like the letter?

Mr RYAN: That does sound like a letter, yes.

The Hon. JOHN RYAN: Did you make any suggestion to Mr Wedderburn that one of the things that Westfield may have done if the Minister approved this LEP, that Westfield would take action against the Government that it might otherwise have taken against the Liverpool council?

Mr RYAN: No.

The Hon. JOHN RYAN: What is the relevance of this document if that was not suggested?

Mr RYAN: It was a document that was given to me by our development executives saying that in the context of saying that the council, that one of the reasons for the decision being put back to the Government may be that the council may be open to action. It was about the only document I had. I think I had a briefing paper with me but I did not leave that briefing paper with Mr Wedderburn. I think from recollection I had a two-page briefing note, which I spoke to.

The Hon. JOHN RYAN: I note that Westfield on 22 July made media comment that, "... but it did not meet with Diane Beamer and made no submission to her." Are you aware that somebody did contact Diane Beamer's office and request a meeting of Greg Miles, director of development and asset management of Westfield, and Michael Meagher?

Mr RYAN: I said in my statement I had done that or that Westfield had done that.

The Hon. JOHN RYAN: Were you aware of that request at the time you meet with Mr Wedderburn?

Mr RYAN: Sorry, of that material you just read to me? I was aware that Westfield was seeking or would be seeking a meeting with Minister Beamer, yes, at the time I met with Mr Wedderburn, yes.

The Hon. JOHN RYAN: Did you have anything to do with seeking that meeting?

Mr RYAN: No, no I did not, other than it was discussed in our offices, about what action should be taken, and it was agreed that the action that should be taken was that I would seek a meeting or speak to Mr Wedderburn and that Westfield could seek a meeting with Minister Beamer.

The Hon. JOHN RYAN: So, the issue was discussed at Westfield about contacting the Government, including the Premier and Minister Beamer? You did not make that decision on your own, Mr Ryan? You had a discussion with Westfield officials?

Mr RYAN: To contact Mr Wedderburn?

The Hon. JOHN RYAN: That is right.

Mr RYAN: No, that was a decision I took.

The Hon. JOHN RYAN: You said you had a discussion.

Mr RYAN: Yes, we had a discussion.

The Hon. JOHN RYAN: Who is we?

Mr RYAN: Me, I think Greg Miles, and the discussion was in essence what do we do now? I said we should contact the relevant people. Who are the relevant people? They said the decision is for the Minister. I said what about Minister Knowles, is he relevant in this? Do we need to seek a meeting with Minister Knowles? They said no, our understanding is that the matter was to be dealt with solely by Minister Beamer. I said good, let us seek a meeting with Minister Beamer, and I left that with the development division to arrange. I said meanwhile I will contact the Premier's office. We did not need a strategy meeting. This was pretty basic stuff. We had concerns and I wanted to bring them to the attention of the Government. We did not need to convene a board meeting

The Hon. JOHN RYAN: So, was the issue of corrupt conduct and dishonesty discussed at this meeting?

Mr RYAN: I cannot characterise it as a meeting. There was a series of phone calls. There would have been a meeting in the corridor. There was no formal meeting in the sense that we are sitting here now around the table to debate the tactics.

The Hon. JOHN RYAN: Have you not done Mr Lowy a disservice by going to Mr Wedderburn without first of all asking him whether he wanted your innuendo brought to the attention of the Premier?

Mr RYAN: I do not think it is innuendo.

The Hon. JOHN RYAN: It is innuendo, sir. It is not a document you have referred to, it is a diagram. There was a series of concerns of yours and in some respects it could be characterised as a smear. What responsibility does Westfield take for the statements you have made, including allegations of corrupt conduct on the part of Liverpool council officers? You certainly inferred that. As understand it, almost every one of those allegations have been investigated by Ms Kibble, the current general manager, and have been found to be untrue. Yet, you felt the need to go off on your own frolic the Premier's office and raise those issues of concern without consulting anyone senior in your company. What responsibility does Westfield take for the innuendo you peddled in the Premier's office with a view to getting them to interfere in this matter?

Mr RYAN: The information I brought to the Premier's office was a matter of public record. I have already made it clear several times that I did not at any stage suggest to Mr Wedderburn or to this Committee or to anybody else that I had evidence of corruption. What I had were grave concerns. I raised them with him.

The Hon. JOHN RYAN: Sorry, Mr Wedderburn said you did. Who is telling us the truth?

The Hon. Jan Burnswoods: Point of order: Mr Ryan's time has expired.

Mr RYAN: If I can correct Mr Ryan, I did not say that to Mr Wedderburn. Mr Wedderburn, I think, in his evidence before this Committee said that I brought to him the perception, if not the evidence, of corruption. That is what I brought to Mr Wedderburn.

The Hon. JOHN RYAN: He suggested—

Mr RYAN: Based on the material I brought to Mr Wedderburn, any reasonable person could draw the conclusion I did.

The Hon. JOHN RYAN: Either you made allegations of corruption or you did not?

The Hon. Peter Primrose: Will you let him the answer the question. If it is worthwhile asking a question, let him answer the question. The Hon. John Ryan is blathering on with a whole lot of allegations and will not allow the witness to answer the question.

The Hon. Jan Burnswoods: And his time has expired anyway.

CHAIR: Mr Ryan, can you answer the Hon. John Ryan's question?

Mr RYAN: I can, and I will answer it this way. At the very time I was sitting in Mr Wedderburn's office, ICAC, either of its own initiative or based on information somebody else had brought to it, was beginning to look at this matter. I feel totally vindicated in bringing my concerns to him. I did not make any accusations or allegations that I had evidence. I had concerns. I raised them. I spelt that out clearly in my statement. If that is not good enough, Mr Ryan, I am sorry, I cannot help you any further.

The Hon. DAVID OLDFIELD: Mr Ryan, can you just quickly give me again the names of the two people who alerted you to the irregularities that caused your meeting with Wedderburn?

Mr RYAN: The names I provided to you were the names of two executives, and only two that I am aware of, who were working on this project. I did not say that they brought to me—what were your words?

The Hon. DAVID OLDFIELD: The irregularities. It is your word, not mine. You said that irregularities were brought to your attention, which is what caused you to have your meeting with Wedderburn. Who were the two people?

Mr RYAN: Among others, Mr Miles and Mr Lynch—among a number of others.

The Hon. DAVID OLDFIELD: A few moments ago you raised considerable concern and you talked about a council officer not being able to see and not being able to hear and in a little booth on his own making all these decisions. You were concerned about significant corrupt conduct in that sense.

Mr RYAN: Well, they are your words.

The Hon. DAVID OLDFIELD: However, you are not at all concerned about the fact that Gabrielle Kibble decided of her own volition to refer the matter for rezoning, and supported the rezoning?

Mr RYAN: I think I have made my position, or Westfield's position, clear on Ms Kibble at length.

The Hon. DAVID OLDFIELD: So, not concerned about the rezoning from her point but concerned about—

Mr RYAN: Mr Oldfield, I have explained that I am not a planning expert. I can arrange for Mr Ingham or somebody else to return to the Committee and explain the details that. My advice was that Ms Kibble made a decision for the reasons she outlined to this Committee and elsewhere, and I really cannot add much more to that.

The Hon. DAVID OLDFIELD: Do you understand that your concern for Mr Gazal's possible influence at local level caused you to exert your influence on the Premier at the upper level?

Mr RYAN: We were seeking the law to be upheld. We were seeking an outcome that upheld the law. We had two court cases, as I have repeated several times. We had a council that made unlawful approval. We were entirely within our rights to ask the Government to make sure that the matter was considered on its merits. That is what I was there to do and that was the assurance I received, that Minister Beamer not allow herself to be compromised by the extreme and unconventional tactics that Mr Gazal employed.

The Hon. DAVID OLDFIELD: How were Mr Gazal's tactics different to yours? You just went to a different level.

Mr RYAN: Well, we did not turn up to people's houses in the dead of night. We sought a meeting—

The Hon. DAVID OLDFIELD: You also sought a meeting with Beamer and then did not have to have the meeting.

The Hon. Jan Burnswoods: Let him answer the question.

The Hon. John Ryan: How did you know about—

The Hon. Jan Burnswoods: Let him answer the question.

The Hon. John Ryan: How did you know about the visit to Knowles' house?

DEPUTY CHAIR: Order! Mr Ryan needs to be afforded the opportunity to answer Mr Oldfield's question.

Mr RYAN: I have forgotten it.

The Hon. DAVID OLDFIELD: That is okay, we will just go on. Are you aware that your meeting with Mr Wedderburn had caused any lobbying by anybody else at any other level to be stopped?

Mr RYAN: I am not aware.

The Hon. DAVID OLDFIELD: That is what happened, after you met with Mr Wedderburn.

Mr RYAN: I can only answer for what I know and what I am responsible for. I cannot help you beyond that.

The Hon. DAVID OLDFIELD: That is what happened. Your smear meeting stopped any further lobbying at a lower level.

The Hon. Peter Primrose: That is a bit of a gloss going on.

The Hon. DAVID OLDFIELD: No, that is in the statement from Wedderburn.

Mr RYAN: I do not shy away from what I told Mr Wedderburn. I made that clear in my opening statement.

The Hon. DAVID OLDFIELD: Mr Ryan, you are not being asked a question at the moment. I am answering Mr Primrose—"she told me she and her staff would take care to avoid being lobbied." That is for you, Mr Primrose. Mr Ryan, can you tell me —

The Hon. Peter Primrose: Precisely what point does that make?

The Hon. DAVID OLDFIELD: Mr Ryan, the Prime Minister that you worked for previously who was not named, do I gather that was Paul Keating?

Mr RYAN: It was.

The Hon. DAVID OLDFIELD: Is it correct that Mr Keating has also been engaged by Westfield in the past in a lobbying sense or in any other sense?

Mr RYAN: I am not sure that this is relevant to this inquiry, is it, Madam Chair?

The Hon. DAVID OLDFIELD: I think it goes to Westfield engaging—

The Hon. John Ryan: Webs of influence—we will stick that on our diagram.

Mr RYAN: Go for your life.

The Hon. DAVID OLDFIELD: Has Mr Keating—

Mr RYAN: I can assure the Committee that Mr Keating has had no involvement whatsoever in this matter.

The Hon. DAVID OLDFIELD: No, not in this matter. I did not ask you about this one.

Mr RYAN: Madam Chair, is this an inquiry into Westfield?

CHAIR: No.

The Hon. DAVID OLDFIELD: Has Mr Keating been involved in the past? Has he been engaged by Westfield in any matter such as this?

Mr RYAN: I wish to ask the Chair a question. Is this something that is before—

CHAIR: You are not here to ask me questions; you are here to answer questions. Mr Oldfield has the call.

Mr RYAN: Is this an inquiry into Westfield?

The Hon. DAVID OLDFIELD: It is going that way.

The Hon. JAN BURNSWOODS: Point of order: On a number of occasions members have asked whether this line of questioning or assertions comes within the Committee's terms of reference.

CHAIR: Mr Oldfield, are you moving on to another question?

The Hon. DAVID OLDFIELD: I am waiting for an answer to my earlier question.

The Hon. PETER PRIMROSE: You said that you were not asking him a question.

CHAIR: Mr Oldfield, would you point out to the Committee the relevance of this question?

The Hon. DAVID OLDFIELD: I believe that its relevance relates, as has been suggested, to webs of influence.

CHAIR: Order! I rule on the point of order. The question is in order. Mr Ryan will you answer the question?

The Hon. JAN BURNSWOODS: Madam Chair, would you point out to us the term of reference to which it is relevant?

CHAIR: Order! I have ruled on the point of order.

The Hon. JAN BURNSWOODS: Given the fact that the Committee has terms of reference—

The Hon. DAVID OLDFIELD: Government members are now taking up my time for questioning.

CHAIR: Order! It relates to the planning processes to do with Orange Grove.

The Hon. JAN BURNSWOODS: Is Mr Oldfield assuring you that his question relates to Orange Grove?

The Hon. DAVID OLDFIELD: No, I am not. I am asking my questions. I do not need your advice.

Mr RYAN: I can help by answering the question. In response to Mr Oldfield's question, I am aware that Mr Keating does work for an investment bank. In that capacity he has had some involvement with Westfield activities. I am not aware of the extent of those activities but I would be more than happy to gather that material and provide it to the Committee. What relevance that has to Orange Grove Road I have no idea.

The Hon. DAVID OLDFIELD: I would be happy to get that material. You said earlier that you had had a connection to, a relationship with, or you had done work in relation to the Lowy foundation. Is that correct?

Mr RYAN: To the Lowy Institute for International Policy.

The Hon. DAVID OLDFIELD: There is no Lowy foundation?

Mr RYAN: No, not to my knowledge.

The Hon. DAVID OLDFIELD: What is Bob Carr's relationship to the Lowy Institute for International Policy?

Mr RYAN: He has no relationship with the institute. He attended a function. He made a speech at a function of the Lowy Institute, which was attended by a large number of people.

The Hon. DAVID OLDFIELD: So it is not correct that Bob Carr hopes to work for the Lowy Institute for International Policy upon retiring as Premier?

Mr RYAN: I think that is a question for him. I have no idea. Not to my knowledge, no.

The Hon. DAVID OLDFIELD: There has been no discussion at any time of which you are aware of Mr Carr moving on to the Lowy Institute?

Mr RYAN: Not that I am aware of.

The Hon. JAN BURNSWOODS: Does this line of questioning have anything to do with the Committee's terms of reference?

The Hon. DAVID OLDFIELD: The Hon. Jan Burnswoods is just attempting to take up my time for questioning.

CHAIR: If Mr Oldfield has a fresh question that would be great.

The Hon. DAVID OLDFIELD: Did you take notes to the meeting with Mr Wedderburn?

Mr RYAN: No.

The Hon. DAVID OLDFIELD: Did you take any notes at the meeting with Mr Wedderburn?

Mr RYAN: Did you ask me whether I took notes to the meeting?

The Hon. DAVID OLDFIELD: I asked you whether you took notes to the meeting and at the meeting.

Mr RYAN: I took notes to the meeting, but I took no notes at the meeting.

The Hon. DAVID OLDFIELD: Did Mr Wedderburn take any notes at the meeting?

Mr RYAN: He took some notes, yes.

The Hon. DAVID OLDFIELD: So he took some notes in regard to your allegations about the irregularities?

Mr RYAN: I do not know what notes he took. He had a book in front of him and he made notes from time to time.

The Hon. DAVID OLDFIELD: But the meeting was all about these irregularities and this web of Labor influence behind the scenes.

Mr RYAN: No, it was not all about that.

The Hon. DAVID OLDFIELD: What was it about?

Mr RYAN: It took me some time to explain the background to the matter, the process and our involvement in the court cases. I explained to him what the judges in the court cases had said. In particular, I can recall one comment from the judge in the Land and Environment Court. He said that, had this project been made lawful, it would have set planning policy in this State at nought; in other words, he said, "We may as well give the game away."

The Hon. DAVID OLDFIELD: Mr Marshall, once all these allegations had been made to Mr Wedderburn what did he tell you to do?

Mr MARSHALL: He said to take the allegations to the ICAC.

The Hon. DAVID OLDFIELD: And you did?

Mr MARSHALL: No, we did not.

Mr RYAN: I have answered that question.

CHAIR: The question was asked of Mr Marshall, who has been waiting patiently.

Mr RYAN: But I have answered it for Westfield. I made it clear that we did not take the allegations to ICAC.

The Hon. DAVID OLDFIELD: You might act for Westfield but we will ask you the questions that we want to ask.

Mr RYAN: I have given the answers.

The Hon. JAN BURNSWOODS: It is now time for Government members to ask questions. Mr Ryan you said quite a bit in your opening statement about the leases at Orange Grove Road. Are you aware that when Government members asked Mr Gazal about the allegations that have been made about the handling of the leases and the fact that tenants were kept in the dark, Mr Gazal promised to submit the leases to this Committee?

The Hon. JOHN RYAN: Point of order: What relevance does that question have to this witness? He is being asked whether he was aware of evidence that was given by somebody else. Even if he is aware of that evidence I do not know what relevance this question has.

The Hon. JAN BURNSWOODS: I am about to quote from Mr Ryan's statement.

The Hon. JOHN RYAN: I am taking a point of order. Why would we be asking this witness whether or not he is aware that somebody else gave evidence about something pertaining to that person? Even if he is aware of it—

The Hon. JAN BURNSWOODS: You really are trying to protect Mr Gazal.

CHAIR: Order! Members should not reflect on other members of the Committee.

The Hon. PETER PRIMROSE: He really is trying to protect Mr Gazal in relation to the retail leases.

The Hon. JOHN RYAN: I do not see how Mr Ryan could have direct evidence about anything to do with leases that were held by Mr Gazal.

Mr RYAN: Westfield has spoken to retailers in Orange Grove Road.

The Hon. JAN BURNSWOODS: I was going to quote a sentence from the statement that you made. You said:

Many of the retailers we have spoken to confirmed they were planning to take legal action against Mr Gazal.

Could you expand a little on that? I gather that there are about 63 retail outlets. Could you quantify that to some extent?

Mr RYAN: Westfield executives have spoken to a number of retailers at Orange Grove Road. In those conversations they confirmed the material that I provided in my opening statement, that is, that they have been kept in the dark from day one about the prospect that the centre would close. They raised concerns with us that this had not been disclosed to them at the time. One or two of the more sophisticated retailers, if I could describe them that way, were aware of what was going on and, because of that knowledge, insisted to Mr Gazal that exit clauses be provided. I was told that in one lease in particular Mr Gazal agreed to compensate that tenant for any and all expenses associated with the fit-out of his store.

The Hon. JOHN RYAN: Who told you?

The Hon. JAN BURNSWOODS: Can I proceed with my questions?

The Hon. JOHN RYAN: I am tired of Mr Ryan telling us that he has been told things without attributing those statements to anyone.

The Hon. PETER PRIMROSE: We are tired of listening to your statements.

The Hon. JOHN RYAN: Mr Ryan seeks to use parliamentary privilege simply to litter this place with allegations. If he is going to say that someone told him something it is about time he referred to the persons who told him. He is dumping smear, which appears to be his stock in trade. Who told you? Give us some evidence instead of just dumping smear.

The Hon. JAN BURNSWOODS: I wish to comment on the point of order.

The Hon. JOHN RYAN: I did not take a point of order.

The Hon. JAN BURNSWOODS: We have already heard evidence from some retailers that they were heaved by Mr Gazal. It would be most unfortunate in a public hearing—

The Hon. DAVID OLDFIELD: Where is the evidence of that?

The Hon. JAN BURNSWOODS: If Mark Ryan were to name any retailer—

The Hon. DAVID OLDFIELD: Where is the evidence that anyone was heaved?

The Hon. JOHN RYAN: Rubbish! Who has threatened them?

The Hon. JAN BURNSWOODS: Mr Gazal.

The Hon. JOHN RYAN: So you are now accusing Mr Gazal of threatening violence. What an outrageous smear!

CHAIR: Order!

The Hon. PETER PRIMROSE: Mr Gazal said, "I owe the bank \$1 million and if I have to break the law I will."

CHAIR: Order!

The Hon. JAN BURNSWOODS: What was the phrase that was used? When you have been bought you stay bought, do you not?

The Hon. JOHN RYAN: What an outrageous statement.

CHAIR: Do Government members have any questions?

The Hon. JAN BURNSWOODS: Yes.

The Hon. JOHN RYAN: Did the Hon. Jan Burnswoods refer to me as being bought?

The Hon. JAN BURNSWOODS: I was quoting what Mr Oldfield said.

The Hon. JOHN RYAN: Did you refer to any members as having been bought?

The Hon. JAN BURNSWOODS: I was quoting from the transcript from the other day. I have already quoted from it twice.

The Hon. JOHN RYAN: To whom were you referring as having been bought?

The Hon. PETER PRIMROSE: You adopted the *Hansard* transcript.

The Hon. JOHN RYAN: I can assure you that I have been bought by no-one.

The Hon. JAN BURNSWOODS: Mr Ryan, it is in the transcript. I have already referred to it twice.

The Hon. JOHN RYAN: You suggested that I might have been bought.

The Hon. PETER PRIMROSE: Who might have bought you?

The Hon. JOHN RYAN: I certainly have not been bought.

The Hon. JAN BURNSWOODS: It has been very interesting watching you today, Mr Ryan.

The Hon. DAVID OLDFIELD: I wish you would just watch and keep your mouth shut.

The Hon. JAN BURNSWOODS: Is that a threat?

The Hon. DAVID OLDFIELD: No, it was a wish.

CHAIR: Order! Members will just ask questions.

The Hon. JAN BURNSWOODS: Returning to your statement, Mr Ryan, you said that it was clear that if Mr Gazal did not advise tenants—and we know that he did not—of the ongoing legal action in the disclosure statement as required by law under the Retail Leases Act, he would be open to charges of misleading and deceptive conduct under section 52 of the Trade Practices Act. Is it the case that you have ascertained—or Westfield has ascertained to its satisfaction and you are assuring this Committee under oath—that Mr Gazal did not do those things and is therefore in breach of the law in relation to the tenancies and the contracts?

Mr RYAN: I cannot speak to every each and every retailer at Orange Grove Road, but Westfield has been told by a number of retailers that that is the case. The reason that they have not come forward at this stage—the reason they gave to Westfield—was that they were preparing their own legal action against Mr Gazal and that they would like to see the matters dealt with in that forum. We accepted the information on that basis.

The Hon. PETER PRIMROSE: I would like to clarify a few matters in your statement. You said, " Mr Gazal was at the centre of a network of influence through the Liverpool area that included local members of Parliament, elected councillors and council officers." Is that correct?

Mr RYAN: Yes.

The Hon. PETER PRIMROSE: You said, "...the recruitment in the original rezoning application of the Orange Grove site of Phuong Ngo, a man now serving life imprisonment for the murder of a member of Parliament ..." Is that correct?

Mr RYAN: Yes.

The Hon. PETER PRIMROSE: You said "... and attempted bribery by Phuong Ngo of a public official with \$70,000 allegedly offered to the Deputy Lord Mayor of Liverpool council to support Mr Gazal's attempts to put a cinema on the Orange Grove site." Is that correct?

Mr RYAN: Yes, it is.

The Hon. PETER PRIMROSE: You said, "... Mr Frank Mosca and his association with Liverpool council, which was canvassed in the daily inquiry ..." Is that a statement that you made?

Mr RYAN: It is.

The Hon. PETER PRIMROSE: You said, "... Mr Sam Bargshoon's local political activities, including his involvement in branch stacking ..." Is that correct?

Mr RYAN: It is.

The Hon. PETER PRIMROSE: Did you state that the involvement of Mr Mosca and Mr Bargshoon in the original cinema rezoning application was one of your concerns?

Mr RYAN: It was.

The Hon. PETER PRIMROSE: Did you refer to evidence before the Industrial Relations Commission in 1995 and cite Mr Gazal as saying, "I owe the bank \$1 million and if I have to break the law I will?" Is that correct?

Mr RYAN: Yes.

The Hon. PETER PRIMROSE: You said "... and the commissions findings that the conduct and attitude of Mr Gazal's company showed a clear disregard for the terms of the award and "a preparedness to put its own interests above the obligations imposed upon it by the award." Is that correct?

Mr RYAN: Correct.

The Hon. PETER PRIMROSE: Referring to council activities relating to this process, you indicated where and how the process occurred inside council. Do you believe there is any corruption involved in the actions of council?

Mr RYAN: I cannot be sure of that.

The Hon. PETER PRIMROSE: After Mr Hunt provided clear and unambiguous advice about what could and could not be approved on the site, why do you believe that Mr Turrisi gave Mr Gazal and Mr Mosca a blatantly unlawful approval?

Mr RYAN: Again, I cannot be sure why that happened. What I can do is point to the irregularities and, as I have explained at length, how far removed this process was from the one that Westfield is familiar with, given that we deal with these matters on an ongoing basis.

The Hon. PETER PRIMROSE: Where you surprised that as a result of this unlawful approval of Orange Grove Mr Gazal later employed Mr Turrisi?

Mr RYAN: Yes.

The Hon. PETER PRIMROSE: Would it also surprise you to know that Mr Gazal had Mr Turrisi on his payroll at precisely the same time that Mr Gazal was in the Land and Environment Court with Westfield challenging Mr Knowles?

The Hon. DAVID OLDFIELD: Point of order: It is my understanding that Mr Turrisi was employed by Mr Mosca, not directly by Mr Gazal.

The Hon. JAN BURNSWOODS: Both.

The Hon. DAVID OLDFIELD: Mr Mosca was employing him.

The Hon. JAN BURNSWOODS: Look at the transcript, Mr Oldfield.

Ms SYLVIA HALE: It is my understanding he was not on the payroll, he did some consultancy work.

The Hon. JAN BURNSWOODS: The Greens' political philosophy. We are glad that is on the transcript.

The Hon. PETER PRIMROSE: Just following on from my question, if I could ask it, there is a bit of uncertainty obviously. There is a lot of concern amongst the Committee about whether Mr Turrisi was receiving money and on the payroll of Mr Gazal or whether he was on the payroll of Mr Mosca who was working for Mr Gazal. Do you know which is correct? Who was paying Mr Turrisi?

Mr RYAN: I am not sure who was paying Mr Turrisi. I knew that Mr Turrisi was close to Mr Mosca at least. How close he was to Mr Gazal I cannot be sure, but I knew that Mr Turrisi was a council officer who was at the centre of this approval process and had given the impression that he had not much to do with it. It seemed strange that he later went to do work for Mr Mosca, the architect, who, I am told, was responsible for something like 80 per cent of the development applications passing through the council.

The Hon. DAVID OLDFIELD: How did you find that out?

Mr RYAN: I was told that it was common knowledge in the Liverpool area that Mr Mosca—

The Hon. JOHN RYAN: If you were looking for work in Liverpool you would go to—

The Hon. JAN BURNSWOODS: John Ryan, that is in the transcript too. The figure of 80 per cent is in our transcript.

The Hon. JOHN RYAN: Apparently he knew all about it long before it was in the transcript.

Mr RYAN: Can I finish my answer? I was told by—

The Hon. DAVID OLDFIELD: By who, when and where?

Mr RYAN: I was told that if he wanted to get a DA through Liverpool council "Mosca is your man" and I knew that Mr Mosca was very close to Mr Turrisi and has since done work for him.

CHAIR: Mr Ryan, that was the final question. Earlier in the proceedings you said that you had a briefing note which you took to the meeting with Mr Wedderburn. Would you be able to provide the Committee with that document?

Mr RYAN: Yes.

CHAIR: That is in addition to the diagram?

Mr RYAN: Yes.

CHAIR: Mr Ryan, that brings to a close today's questions but a number of members of the Committee have indicated they have further questions that they might wish to ask of Westfield officers and executives. I am just giving you the courtesy of letting you know that we will consider those requests and let you know further as to the decision of the Committee in that regard. In the meantime, I would like to thank both of you, and particularly Mr Marshall for being here today, noting your circumstances. We may hear from you further.

The Hon. DAVID OLDFIELD: Mr Ryan also made note that he would provide a report on Mr Keating's involvement with Westfield. Can we get some understanding as to when we might get that?

Mr RYAN: As soon as I am able to.

The Hon. PETER PRIMROSE: We just want to confirm that these items that have been tabled will be made public. Are they now public?

The Hon. JAN BURNSWOODS: The statement and the diagram.

The Hon. PETER PRIMROSE: I move that they be made public.

CHAIR: Mr Ryan's statement?

The Hon. PETER PRIMROSE: Yes, the material provided by the witness. And I would like to also maybe include ultimately the statement about Mr Keating, just to be fair to Mr Oldfield, that that statement be made public as well.

CHAIR: We cannot publish anything that we have not actually got but is the motion that we publish Mr Ryan's opening statement?

The Hon. JAN BURNSWOODS: I was not sure whether the motion earlier included making public as well as tabling.

The Hon. PETER PRIMROSE: I move that that be made public.

CHAIR: The opening statement?

The Hon. JAN BURNSWOODS: The opening statement and the diagram.

CHAIR: We do not have the diagram.

Mr RYAN: I can provide a copy.

The Hon. PETER PRIMROSE: And the reproduction of the diagram that he showed us. I move that they be made public.

Motion agreed to.

CHAIR: Thank you, gentlemen.

(Short adjournment)

ALICE ADELE SPIZZO, Executive Director, Office of the Director General, Department of Infrastructure, Planning and Natural Resources, 23-33 Bridge Street, Sydney, sworn and examined:

CHAIR: Ms Spizzo, if you should consider at any stage during the giving of your evidence that certain evidence or documents you may wish to present should be heard or seen in private by the Committee the Committee would consider such a request. However, the Committee or the Legislative Council itself may subsequently publish the evidence if they decide is in the public interest to do so. Do you have a brief opening statement?

Ms SPIZZO: Yes, I do. The Office of the Director General has two key functions: firstly, a corporate governance and coordination role which includes the management of correspondence, ministerial liaison, briefing notes and media and communications. Secondly, its role is to drive policy reform throughout the department through the strategic projects and policy co-ordination unit. These reforms to date include native vegetation legislation and policy, the establishment of catchment management authorities, and planning and building reforms such as the establishment of the Building Professionals Board and the recent implementation of BASIX, the building and sustainability index.

I first joined the Department of Planning in 1994 in the Sydney region north branch. I worked as an environmental planning officer and as a lawyer in the legal branch. I was also a departmental liaison officer in the office of the Minister for Urban Affairs and Planning. In 1997 I was seconded to Minister Knowles office as the Minister's senior policy adviser in planning and water. I became the Minister's chief of staff in February 2000 in the office of the Minister the Health. I left the Minister's office in January 2002 to join ERM Australia. I rejoined the department in September last year and have been appointed to my position through a competitive process under the Public Sector Employment and Management Act 2002. Prior to rejoining the department I worked in planning and development at the Sydney Harbour Foreshore Authority and was the national director for environment and planning at Environmental Resources Management Australia. In this position I worked across planning jurisdictions throughout Australia, as I was responsible for the planning due diligence business area at ERM.

I am a bachelor of arts and a bachelor of laws. I hold a graduate diploma in urban estate management and a graduate diploma in legal practice. I am a solicitor of the Supreme Court of New South Wales. As Executive Director of the Office of the Director General I deal with a variety of matters that come before the director general. I am also responsible for reviewing a number of matters on the director general's behalf. These include ministerial briefs, media releases, Cabinet minutes and correspondence. This is common practice and the expected role of the Executive Director, Office of the Director General. In addition, I receive routine inquiries both internal and external regarding matters such as requests for information or clarification as to whom the best person in the department is to contact regarding specific matters.

My role regarding the Liverpool local environmental plan amendment No. 92 is as follows: I first became aware of the matter when the Land and Environment Court's decision was discussed at a regular meeting with Minister Beamer and other departmental representatives in February 2004. The matter was being managed by the executive officer responsible, Gary Prattley, and I had very little to do with it. I had no involvement in the matter until mid June. I then dealt with the matter again in mid June when the file came to the director general prior to referral to the Minister. The director general advised me that she had concerns around the section 69 report and advised me that she had sought legal advice. The director general prepared a memorandum for the Minister in consultation with corporate counsel and Gary Prattley. I did review her final memorandum dated 8 July at her request. As stated earlier, this is standard procedure, namely, to review documents on behalf of the director general. In relation to the emails discussed last Tuesday, we were concerned to ensure that all emails were produced to ICAC in accordance with its summons. The director general asked for all relevant emails to be produced. A check was done and then I ensured all emails were produced to ICAC. I am happy to take questions from the Committee and to be of further assistance where I can.

The Hon. JOHN RYAN: Fortunately, Ms Spizzo, you have attended to some of the issues that I was going to ask you about but I might go through some of the issues you raise in your opening statement where we may require additional detail. You referred to your appointment as occurring as a result of a competitive process. Could you explain to the Committee what that means and how that was carried out?

Ms SPIZZO: It means it was advertised and I applied for it and was interviewed. I have asked Glenn Smith, the executive director of corporate services, who is responsible for employment and human resources in the department, to explain that on my behalf.

The Hon. JOHN RYAN: I am familiar with how public sector normally does those things. The panel is usually convened by somebody. Who was the convener of the panel and who were the other members of the panel?

Ms SPIZZO: The position was recruited through Hudsons and the panel was convened through Glenn Smith and the person at Hudsons. The other members were Frank Howard from Centennial Park trust and Liz Coombs from the Premier's Department, I think.

The Hon. JOHN RYAN: Who was the chair?

Ms SPIZZO: Glenn Smith.

The Hon. JOHN RYAN: Had you occupied this position prior to that panel being convened?

Ms SPIZZO: Yes, I came into on a temporary position, which is quite common.

The Hon. JOHN RYAN: How would you characterise your relationship with Ms Westacott? Did you know her on a personal basis prior to having this job? Did you know her at all?

Ms SPIZZO: I did know her on a professional basis. We had a professional relationship. I did not know her personally but I had met her through when I was in the Minister's office and she did some work in housing and in health.

The Hon. JOHN RYAN: When you were appointed on a temporary basis, did she select you?

Ms SPIZZO: Yes, she requested that I joined the department, but she also advised me that it would be eventually through a competitive process but people were brought in quickly through a temporary process originally.

The Hon. JOHN RYAN: My memory is that the paperwork to which the Committee has access refers to some meetings that you would have attended with the director general and the Minister and at which on a couple of occasions you gave briefings to the Minister on the progress of the Orange Grove matter. What information did you give to the Minister on those occasions?

Ms SPIZZO: I never gave information to Minister Beamer on the progress of Orange Grove as I was not the responsible officer. Those minutes are incorrect.

The Hon. JOHN RYAN: When did you first know that the section 69 report contained a recommendation that the Minister make the LEP?

Ms SPIZZO: As I said in my statement, it was in mid-June when the file first came up to the director general.

The Hon. JOHN RYAN: As I understand it, the file was forwarded from Mr Prattley at some time on or around 6 June and the director general prepared another memorandum to the Minister on or about 25 June. When did you see the file in between those two dates?

Ms SPIZZO: I cannot remember the exact date but it was around mid-June. I cannot remember the exact dates because I was not involved in the matter.

The Hon. JOHN RYAN: Would it be the practice that you would see the file prior to the director general seeing the file?

Ms SPIZZO: No.

The Hon. JOHN RYAN: So if you saw it it would be because the director general referred it to you.

Ms SPIZZO: She did not actually refer it to me. I was in her office discussing another matter and she raised the matter that she was dealing with a file. That is not uncommon.

The Hon. JOHN RYAN: No, I would not suggest otherwise. But where you asked to do anything to the file prior to its going to the Minister's office?

Ms SPIZZO: Not to do anything with the file, no. But she did ask me, as I have said in my statement, to review her final memo.

The Hon. JOHN RYAN: Are you familiar with the memorandum I think dated 25 June that contains, for want of a better description, the five dot points? Did you see that memo before it went to the Minister's office? It is the one that was not quite so detailed and just had five dot points at the end and recommended that there were reasons why the Minister might not make the LEP. It was one page.

Ms SPIZZO: Not that I can recall.

The Hon. JOHN RYAN: Did you attend the meeting to which the director general referred that took place in the Minister's office on or about 30 June where obviously some additional information was given to the Minister in response to the first memo?

Ms SPIZZO: Yes.

The Hon. JOHN RYAN: Could you tell us what happened at that meeting?

Ms SPIZZO: There was a discussion regarding the issues that were raised in that memo with respect to the transport and a number of other things where the director general had some concerns. The minutes asked for further information and that further information was provided. I cannot recall the exact detail.

The Hon. JOHN RYAN: Would it be fair to say that at that meeting it was largely decided that the Minister would not make the LEP, and I guess there was some additional information required in the form of a memorandum that would outline those reasons in more detail?

Ms SPIZZO: No.

The Hon. JOHN RYAN: What information was discussed at that meeting that might have suggested that the Minister would have considered making the LEP?

Ms SPIZZO: It was not a discussion about making or not making the LEP; it was a discussion about the provision of additional information around the concerns that were raised in the dot points.

The Hon. JOHN RYAN: What additional information was requested by the Minister?

Ms SPIZZO: The information around transport, the social and economic issues, the net community benefit and so on where there were gaps in the information.

The Hon. JOHN RYAN: I put it to you that there were a lot of gaps in that memo, given that it only consisted of five dot points.

Ms SPIZZO: No, I do not mean with respect to the memo; I mean with respect to the section 69 report. I am sorry.

The Hon. JOHN RYAN: So the section 69 report was discussed in some detail at that meeting on the 30th?

Ms SPIZZO: No, it was not discussed in some detail; it was discussed in general in relation to those dot points.

The Hon. JOHN RYAN: It is a bit hard for me to characterise how it would be discussed "in general". Did the Minister request any information with regard to jobs—the employment potential? Obviously this was not the first time that the Minister would have been aware of the Orange Grove issue, was it?

Ms SPIZZO: No.

The Hon. JOHN RYAN: In your view did it seem that she knew about the issue in a fair level of detail?

Ms SPIZZO: She knew about it but as to "a fair level of detail", I do not think so. A number of issues are raised in those meetings, as you can tell by the agenda.

The Hon. JOHN RYAN: It appears from the paperwork coming from those meetings that it was reasonably concluded that the department was likely to recommend to the Minister that she make the LEP and there was an understanding in the Minister's office that that was likely to be the case. I would have thought that the memorandum of 25 June would come as something of a shock to the Minister, given that up until that time the expectation would have been that the matter was progressing favourably. Did the Minister express any surprise that the director general had such strong views about the inadequacy of the section 69 report?

Ms SPIZZO: No, she did not.

The Hon. JOHN RYAN: Do you think the Minister was already aware, then, that the director general had strong views?

The Hon. PETER PRIMROSE: Point of order: How can you ask a witness whether a Minister may have already been aware of something? That is an unfair question.

The Hon. JOHN RYAN: The witness can answer as she sees fit. Was there discussion at the 30 June meeting about what additional written information would be given to the Minister?

Ms SPIZZO: I think there was but I cannot remember the detail of it. I attend those meetings with a number of other people and there are a number of other issues on at that time. Because I was not solely responsible for that matter I am not on top of all the detail.

The Hon. JOHN RYAN: Were you asked to do anything after that meeting by Ms Westacott or the Minister?

Ms SPIZZO: No.

The Hon. JOHN RYAN: Are you familiar with the memo dated 8 July—the one that goes to two pages?

Ms SPIZZO: Yes.

The Hon. JOHN RYAN: Did you draft any part of that memorandum?

Ms SPIZZO: I did not draft any part; I reviewed and edited it for typos or a different choice of words. That is not uncommon when you are reviewing documents.

The Hon. JOHN RYAN: Would it be fair to say that that memorandum does not canvass any of the reasons why the Minister might have made the LEP? It appears to me to have been drafted in such a way as to outline only reasons why the Minister would not make the LEP. My point is: Is it fair to say that that memorandum was drafted with that purpose in mind? It was not meant to be an objective document that looked at both sides of the question; it was intended to document the issues by which the Minister would not make the LEP.

Ms SPIZZO: Not having written the document, I cannot really comment. It puts forward another position. As the director general has said on a number of occasions, she could not reconcile certain things and she felt it was her responsibility to outline those matters to the Minister so that the Minister could make an informed decision.

The Hon. JOHN RYAN: Would it be fair to say that there is nothing in that two-page memo that would not have been discussed and made known to the Minister prior to the meeting on 30 June? There is really nothing new in the memorandum dated 8 July?

Ms SPIZZO: I am not in a position to comment, I am sorry.

The Hon. JOHN RYAN: You attended the meeting and you read the memo and reviewed it. You would know whether any new material was raised in the memo that had not been discussed on the 30th.

Ms SPIZZO: I cannot recall everything that was discussed at the meeting. If I could then I would be in a position to comment.

The Hon. JOHN RYAN: I put it to you that on 30 June it was decided at that meeting that the Minister would not make the LEP but that it was necessary to elucidate in more detail why the LEP would not be made and essentially the work that arose from that meeting was to document those reasons so that the Minister could make that decision, with its being fully documented and therefore not likely to be open to legal challenge. That was decided on the 30th and the relevant memo went to the Minister with that in mind. Is that not what happened?

Ms SPIZZO: No, it is not.

The Hon. JOHN RYAN: So the Minister did not on 30 June make her views clear in any way as to whether she would approve or not approve the LEP.

Ms SPIZZO: No, she did not.

The Hon. JOHN RYAN: Are you a member of the Australian Labor Party?

Ms SPIZZO: No.

The Hon. JOHN RYAN: Have you ever been a member of the Australian Labor Party?

Ms SPIZZO: No.

The Hon. DAVID OLDFIELD: When did you first commence work at the DIPNR?

Ms SPIZZO: When I rejoined the department or when I first started in 1994?

The Hon. DAVID OLDFIELD: When you rejoined the department after you were Minister Knowles' chief of staff?

Ms SPIZZO: I rejoined in September last year. I left the Minister's office in January 2002.

The Hon. DAVID OLDFIELD: Where did you work in between leaving Minister Knowles' office and going to the DIPNR?

Ms SPIZZO: I worked as the National Director of Environmental Planning at ERM Australia.

The Hon. DAVID OLDFIELD: Does that have some relationship with Pam Allen's consultancy?

Ms SPIZZO: I think Pam was there as a director but I had nothing to do with that.

The Hon. DAVID OLDFIELD: That was between working with Minister Knowles and working in the DIPNR?

Ms SPIZZO: And I also worked at the Sydney Harbour Foreshore Authority in planning and development.

The Hon. DAVID OLDFIELD: For how long were you at the same place, ERM Australia, as Pam Allen?

Ms SPIZZO: Thirteen months.

The Hon. DAVID OLDFIELD: Was there any contact with you about the matter of Orange Grove from anybody within Premier's, Minister Knowles or Minister Beamer's office or anyone at all within government?

Ms SPIZZO: Within the Premier's office, no, within Minister Knowles office, not that I can recall and within Minister Beamer's office it was raised in meetings but I did not have direct conversations with the Minister or with anybody else from the office because Gary Prattley was the officer responsible.

The Hon. DAVID OLDFIELD: So you were merely present while this took place but you did not actually enter into it at all?

Ms SPIZZO: I would occasionally make a comment or participate in discussion but, not being the officer responsible, I certainly was not contacted about the matter.

The Hon. DAVID OLDFIELD: When you say you "not being the officer responsible" you were not contacted about the matter, were you present at meetings when this was being discussed while Gary Prattley was also present?

Ms SPIZZO: Yes.

The Hon. DAVID OLDFIELD: With at least the office of Minister Beamer?

Ms SPIZZO: Yes.

The Hon. DAVID OLDFIELD: In your opening statement you mentioned that everyone was specific to put together all of the emails relating to these issues to present to the Independent Commission Against Corruption.

Ms SPIZZO: Yes.

The Hon. DAVID OLDFIELD: What about the presentation of emails to this inquiry?

Ms SPIZZO: What about the presentations?

The Hon. DAVID OLDFIELD: You said everyone was very particular to make sure that all of the emails were passed to the ICAC. What about the emails and the documents that were sought by this inquiry?

Ms SPIZZO: The documents handed over to this inquiry were the documents that were handed over to the ICAC.

The Hon. DAVID OLDFIELD: There is nothing that the ICAC has that this inquiry does not have?

Ms SPIZZO: I do not think so. I think they are exactly the same documents: they have to be. But when we did the search for the documents, because of the ICAC subpoena, I do not think this inquiry had been called.

The Hon. DAVID OLDFIELD: When were you first subpoenaed by the ICAC to provide documents?

Ms SPIZZO: I am sorry I cannot answer that. I can take it on notice.

CHAIR: Thank you, that would be helpful.

The Hon. DAVID OLDFIELD: There is the appearance that there may be emails missing from material that has been handed to this committee. Is it common for Ms Westacott not to put anything on email?

Ms SPIZZO: Yes, very common. Ms. Westacott is the director-general and has a very busy diary, travels a lot, works between two head offices in the city, Parramatta and a number of regional offices. Director generals normally ask their secretaries or the executive assistants to follow things up. So that is not unusual that she does not write a lot of emails.

The Hon. DAVID OLDFIELD: In the circumstances that you have just described of someone who is busy, working and moving around in the real corporate world it is very common for people of similar positions to say the director general to make notes and issue such request by email. That is easy because they are travelling, they are away in different time zones and they can do it at any time and most of the people that I know in high position actually use email to great effect as a consequence of the very conditions that you have just described. Does Ms. Westacott just pick up the phone and tell someone like you to send an email?

Ms SPIZZO: No, I am not in a position to talk about people's different use of emails.

The Hon. DAVID OLDFIELD: I would have thought you would be in a very good position to comment about Ms Westacott's use of emails and her various forms of communication because are you not the executive director of her office specifically?

Ms SPIZZO: Yes but I am not her personal assistant. I do not sit next to her. I do not see she who is ringing and who she is meeting with. I run her office.

The Hon. DAVID OLDFIELD: As part of running her office do you not run her personal assistant and the various things that she requires to go out of that office in regards to communications?

Ms SPIZZO: The office of the director general is quite a large establishment. It has a whole policy and reform arm and a number of other areas. It is not just a small discrete secretariat.

The Hon. DAVID OLDFIELD: On the issue of it being quite a large department is it the case that your position was a new position that did not previously exist?

Ms SPIZZO: Yes.

The Hon. DAVID OLDFIELD: Has the director general's office enlarged much more since you have been there? Have other people been added similarly to yourself by Ms Westacott in her enlargement of this large office that she has? It is not just a little secretariat?

Ms SPIZZO: No, not really.

The Hon. DAVID OLDFIELD: It is just you?

Ms SPIZZO: Yes, there is just me. No, there are a number of other people.

The Hon. DAVID OLDFIELD: Your remuneration as an SES3 is somewhere between \$160,000 and \$180,000 per year?

Ms SPIZZO: Not quite.

The Hon. DAVID OLDFIELD: Between \$157,000 to \$177,000 or something like that?

Ms SPIZZO: Yes.

The Hon. JOHN RYAN: Do you recall that both the Minister and the director general sought some legal advice as to the proper words which should be used in order to not make the LEP and for the director general to advise the Minister not to make the LEP?

Ms SPIZZO: I am sorry but that is privileged information. I cannot comment on it.

The Hon. JOHN RYAN: I am not asking you to detail what the information was. Is it not a fact that both of those people sought that information?

Ms SPIZZO: I do not know. I cannot comment on it.

The Hon. JOHN RYAN: You said that you knew it was privileged information.

Ms SPIZZO: It is legal advice. It is privileged information, as you know.

The Hon. JOHN RYAN: I asked and you referred in your opening remarks to the fact that certain people obtained legal advice. Did the Minister and the director general obtain legal advice as to how they might refuse the LEP?

Ms SPIZZO: I cannot comment on that. I did not know the content of the legal advice.

The Hon. JOHN RYAN: I did not ask for the content. I asked whether that happened?

Ms SPIZZO: I cannot comment on that. All I know is that legal advice was obtained and it is privileged.

The Hon. JOHN RYAN: Generally, how many recommendations of section 69 reports are you aware that have not been agreed to by the Minister? Is it a common event?

Ms SPIZZO: It is not a common event but it has happened.

The Hon. JOHN RYAN: How frequently in your experience, other than this one?

Ms SPIZZO: I cannot comment on the frequency but it has happened.

Ms SYLVIA HALE: When has it happened?

The Hon. JOHN RYAN: Once a year, once in 20 years? It was put to the committee that one officer had not known it to happen in 20 years?

Ms SYLVIA HALE: Could you take this question on notice and provide the committee with a list of the occasions on which a section 69 report has been countermanded?

The Hon. JOHN RYAN: A section 69 report has recommended an LEP and it has not been made, or, alternatively has recommended one not be made and it was made?

Ms SYLVIA HALE: Yes.

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Ms SPIZZO: I will take that on notice.

CHAIR: Over a period of 10 years.

Ms SYLVIA HALE: The dates and the instances would be appreciated.

CHAIR: That question is on notice.

The Hon. JOHN RYAN: At any time were you given a warning not to accept any lobbying on the issue from people interested in Orange Grove?

Ms SPIZZO: No, never.

The Hon. JOHN RYAN: How many other people applied for the job of executive director?

Ms SPIZZO: Thirty applicants and four were short listed.

The Hon. JOHN RYAN: From the time you came to know of the section 69 report and its contents what discussions have you held with Ms Westacott relating to Orange Grove until the time that the Minister refused to make the LEP?

Ms SPIZZO: Very few really, more about the handling of the file and the reviewing of the documents but I really was not handling that matter. I did not have carriage of the matter so we did not discuss it in general.

The Hon. JOHN RYAN: Why were you designated as the person to brief the Minister at a meeting with the director general?

Ms SPIZZO: As I said previously, that was a mistake in the minutes. I have never briefed Minister Beamer about the Orange Grove matter.

The Hon. JOHN RYAN: Who did?

Ms SPIZZO: Gary Prattley.

The Hon. JOHN RYAN: Did you attend the meeting at which Mr Prattley briefed the Minister?

Ms SPIZZO: Yes, as I said before, I did.

The Hon. JOHN RYAN: How was the mistake made?

Ms SPIZZO: I suspect there was an error in the documenting of the minutes. I am not responsible for the matter, therefore, I would not be briefing the Minister and I do not take the minutes.

The Hon. JOHN RYAN: Did you assist in the preparation of the advice and submission to the committee on Orange Grove?

Ms SPIZZO: No, I did not.

The Hon. DAVID OLDFIELD: Do you know Mark Ryan?

Ms SPIZZO: No. I know of him.

The Hon. DAVID OLDFIELD: Have you been in contact, or has anyone from Westfield been in contact with you at any stage in regards to these matters either formally or informally?

Ms SPIZZO: No.

The Hon. DAVID OLDFIELD: You mentioned that there was a great deal of effort in getting all the material ready for the ICAC. You only talked about the ICAC and not about this inquiry. Are you certain that the documents that have been given to this inquiry are the same as those given to the ICAC?

Ms SPIZZO: To the best of my knowledge, yes.

The Hon. DAVID OLDFIELD: Were the documents subpoenaed by Gazcorp, and received up to and including 25 June, much different to the documents given to this committee?

Ms SPIZZO: No, I am assuming it would have got the same information—depending on the breadth and date of its subpoena obviously. But I cannot comment on the actual information received.

The Hon. DAVID OLDFIELD: Ms Westacott said that the section 69 report was of a strategic nature. She said it was departmental policy to go through the office before it went to the Minister. Why is it that Ms Westacott appears to have had or has certainly given information to this inquiry that she did not have any knowledge of the report?

The Hon. PETER PRIMROSE: Is not that a question for Ms Westacott?

The Hon. DAVID OLDFIELD: No, I think it is a question for Ms Spizzo in the sense that she is the executive director.

Ms SPIZZO: Sorry, could you repeat the question?

The Hon. DAVID OLDFIELD: Ms Westacott has given testimony that the section 69 report was of such a strategic nature in that departmental policy required that it go through her office, yet she has told us generally that she had no real knowledge of the section 69 report prior to actually finally seeing it and requesting further information about mid June. How is it that with such an issue taking place, with such lobbying from all and sundry, with meetings with Beamer's office, with the Premier's Office having meetings with Westfield, with the court cases and everything else that was going on with regards to the high-profile nature of this issue, how could it be that Ms Westacott would not be more informed?

Ms SPIZZO: I think the reality is that it was not a high-profile issue at that stage.

The Hon. DAVID OLDFIELD: When would you say it became a high-profile issue?

Ms SPIZZO: I think it became a high-profile issue when the rezoning was refused, from my understanding, when it suddenly became an issue in the media.

The Hon. DAVID OLDFIELD: Only when the rezoning was refused. You believe it only became a high-profile issue at the time when DIPNR determined to refuse the rezoning—I should say, when the Minister—

Ms SPIZZO: DIPNR did not determine.

The Hon. DAVID OLDFIELD: When the Minister determined to refuse the rezoning, that was when you believed it became a high-profile issue?

Ms SPIZZO: Yes. As I said, yes.

Ms SYLVIA HALE: You say it only became a high-profile issue after the Minister determined to refuse the LEP. Was there a great deal of discussion within the office prior to that, given that a failure to endorse a section 69 report seems to have been a relatively uncommon event?

Ms SPIZZO: There was not a great deal of discussion. There was some discussion obviously because it was a big decision.

Ms SYLVIA HALE: With whom did that discussion take place?

Ms SPIZZO: Well, I do not know because—apart from the meetings that I attended with the Minister, I do not know.

Ms SYLVIA HALE: But you said that there was some discussion so to be aware of that you must have known who was discussing—

Ms SPIZZO: I am aware of that discussion from what has occurred in these public hearings.

Ms SYLVIA HALE: But at that time you were not aware of any discussion within the office at all about this matter?

Ms SPIZZO: No, I was aware of some discussion.

Ms SYLVIA HALE: With whom? Who was discussing it?

Ms SPIZZO: I am trying to think. Certainly, the director-general had discussed it with me, as I said in my statement, and I know that there had been discussions between the director-general and Gary Prattley. That is standard practice. You do not make these decisions in isolation. Of course you always discuss these matters. You would be unprofessional if you did not seek somebody else's opinion.

Ms SYLVIA HALE: There was no discussion within the office, apart from the people you have just named, about it being an odd decision to not make this plan?

Ms SPIZZO: No, you would never classify a decision as an odd decision, no.

Ms SYLVIA HALE: Well, an unusual decision, a very uncommon decision?

Ms SPIZZO: No, it was not, no.

Ms SYLVIA HALE: You see, the evidence the Committee has been given is that a number of departmental officers endorsed the plan; they thought it was a good one; there seemed to be substantial reasons to support it. We have had evidence that Ms Kibble, a woman of apparently impeccable planning credentials, had supported it and in fact had been quite heavily involved in the making of the plan and you are saying that there was no discussion at all about a decision to overturn this?

Ms SPIZZO: No, I did not say that. I said there was some discussion.

Ms SYLVIA HALE: I am asking you, apart from Mr Prattley, the Minister, the director-general and presumably yourself, who else discussed it in the department?

Ms SPIZZO: That I am aware of, the corporate counsel.

Ms SYLVIA HALE: So, there was no unhappiness in the department and any feeling that somehow the outcome was being manipulated for political purposes?

Ms SPIZZO: I cannot comment on that.

Ms SYLVIA HALE: So you were not aware of any of that within the department, any unhappiness?

Ms SPIZZO: No.

Ms SYLVIA HALE: You thought that people within the department thought that this was business as usual? That was your impression?

Ms SPIZZO: I am not in a position to comment about how people felt about things. I did not know.

Ms SYLVIA HALE: No, but I am asking your impression?

Ms SPIZZO: No.

Ms SYLVIA HALE: Were you aware of anyone who attempted to make an appointment to see the director-general about the Orange Grove matter who was unable to do so?

Ms SPIZZO: Subsequently I have being informed of that but not before, no.

Ms SYLVIA HALE: Who makes the decision as to who shall see the director-general?

Ms SPIZZO: It would depend on the matter but something like this, a briefing note was provided to the director-general and she agreed with the briefing note and declined to meet. It is not unusual that parties want to meet with the director-general or the Minister.

Ms SYLVIA HALE: Yes, but who on that occasion wanted to meet with the director-general?

Ms SPIZZO: It is my understanding—and I have only learned this subsequently in looking at the paperwork—that Westfield had asked to meet with the director-general. She declined to meet.

Ms SYLVIA HALE: In fact that briefing note, to the best of my recollection and I am sure I can find it, actually contained a recommendation that the plan be made.

Ms SPIZZO: Not that I am aware of. I cannot comment. I just recall that it recommended that the director-general declined to meet and she agreed with the recommendation and did not meet.

Ms SYLVIA HALE: Someone else might like to ask a question while I try to locate the actual briefing note.

The Hon. JOHN RYAN: Were you present for the whole of the meeting that took place on the 30th between the Minister and the director-general?

Ms SPIZZO: I cannot recall but unlikely because I am not always there for all the meetings and there have been occasions when I have not attended. The phone rings or I am asked by other people in the office to comment on something and I cannot recall, I have to say.

The Hon. JOHN RYAN: Where did this meeting happen? Did it happen in the Minister's office or in the office of the director-general?

Ms SPIZZO: No, we usually go to the Minister's offices for their meetings.

The Hon. JOHN RYAN: And you would have gone with the director-general. Was this meeting convened just for this matter?

Ms SPIZZO: No. No, it was a regular—since there has been a vacancy at the deputy director-general level in the metropolitan region the director-general and I have been meeting with Minister Beamer on a more regular basis, either fortnightly or monthly, usually monthly, whereas Gary Prattley has been meeting with Minister Beamer on a more regular basis. That is my understanding.

The Hon. JOHN RYAN: Would you say that the matters canvassed on the 30th were reasonably—the Minister received all of the information that she wanted at that meeting?

Ms SPIZZO: I cannot comment.

The Hon. JOHN RYAN: The only thing that I find just a bit odd—and maybe you can explain it—is that the following day, the Committee has the letter that went from Michael Meagher, the Minister's chief of staff, back to the department and it is addressed to Ms Westacott. Essentially, he says this: "After receipt of the department's section 69 report on the Liverpool LEP"—and he goes on to describe it in full—"and your accompanying memorandum Minister Beamer agrees that there are areas of concern and asks you to elaborate further on these. She seeks urgent advice on where this plan sits in relation to draft plan SEPP 66 and advice on action in the department to take to resolve some obvious ambiguities within the SEPP. She is also concerned that we resolve this situation quickly to give some certainty to all involved." It just seems odd that you would send a letter like that the following morning when apparently all of that was discussed and the Minister would have known about it at a meeting that took place the previous day. Why would Mr Meagher have sent that letter the following day seeking information that the Minister already had?

Ms SPIZZO: I do not know. I am not in a position to comment.

The Hon. JOHN RYAN: But do you not liaise between the Minister's office and the department?

Ms SPIZZO: Not on a regular basis. It depends on what the issue is. They may ring me about some matters and they will ring other people in the department about other matters.

The Hon. JOHN RYAN: Would you not have received this letter?

Ms SPIZZO: No, I did not. The file came back to the director-general. I did not see it.

The Hon. JOHN RYAN: It just seems to me that someone would have asked the Minister, "What are you after, given that you already have the information, we thought, and we are working on a memorandum." The other reflection I could put on this is that there was a desire on the Minister to document that she had asked for this information and I can understand that but it does not appear to me that it is a sincere request for information; She already has it. It might have been provided for a documentary reason, not an actual request.

Ms SPIZZO: I cannot comment.

The Hon. JOHN RYAN: Have you met Mr Knowles and do you have anything to do with Mr Knowles since you ceased being his chief of staff and, if so, what contact have you had with him since you have ceased to be his chief of staff?

Ms SPIZZO: Well, I report to him. He is the Minister responsible for the portfolio so I see him on a professional basis.

The Hon. JOHN RYAN: Would you not also be a friend of his, given that you are his chief of staff?

Ms SPIZZO: No. I mean, I do not dislike him but it is a professional relationship.

The Hon. JOHN RYAN: I know very few chiefs of staff that would not also be trusted friends of the Ministers involved. That is usually what a position of chief of staff is.

Ms SPIZZO: It is more than that.

The Hon. JOHN RYAN: I have no doubt there is a professional relationship but it is difficult to believe that the Minister would not also choose someone to be his or her chief of staff. You would develop a friendship in that relationship which you would continue afterwards. Unless you leave on bad terms I cannot see that you would not continue that friendship.

The Hon. JAN BURNSWOODS: This philosophical discussion is very interesting but it probably has very little to do with anything.

The Hon. JOHN RYAN: It is not philosophical at all. I have worked in a ministerial office myself and I know that usually you become part of a team and develop a relationship—

The Hon. JAN BURNSWOODS: And did the Minister like you?

The Hon. JOHN RYAN: He did and we still are friends.

The Hon. PETER PRIMROSE: This is like a King Lear approach to politics.

Ms SYLVIA HALE: Since Mr Knowles has changed portfolios, have you also changed portfolios and worked for him, say from Health to Planning or whatever?

Ms SPIZZO: No, I went from Urban Affairs and Planning to Health.

Ms SYLVIA HALE: He was not Minister during that time.

Ms SPIZZO: Yes.

Ms SYLVIA HALE: So when he was Minister for Health you were there. Now that he is Minister for Planning you are now working as the executive director within the office of the director-general?

Ms SPIZZO: Yes.

Ms SYLVIA HALE: Have you worked for him in any of his other capacities other than as Minister for Health or as Minister for Planning?

Ms SPIZZO: No.

Ms SYLVIA HALE: So it is only in those two portfolio areas that you have actually worked for him?

Ms SPIZZO: Yes.

Ms SYLVIA HALE: And apart from that a considerable portion of your life has been spent with ERM, which is a major firm involved with environmental resource management, is that right?

Ms SPIZZO: Well, I spent time between the Minister's office and returning to the department at ERM and at the Sydney Harbour Foreshore Authority. I have also worked in local government, in the Federal Government and the private sector in general.

Ms SYLVIA HALE: How long were you working at the harbour foreshore authority?

Ms SPIZZO: Five months.

Ms SYLVIA HALE: And what was your capacity there?

The Hon. JAN BURNSWOODS: Madam Chair, has this got anything to do with our terms of reference?

The Hon. JOHN RYAN: It does.

The Hon. PETER PRIMROSE: What is your favourite ice cream?

Ms SPIZZO: I was working in planning and development, as I said in my statement.

The Hon. JAN BURNSWOODS: And once we start asking what the witness has done with her life—

The Hon. PETER PRIMROSE: Her favourite ice cream flavour—strawberry, chocolate—sorry, David, neapolitan; probably vanilla.

The Hon. JOHN RYAN: If that is a point of order I happily respond. I suspect—

The Hon. JAN BURNSWOODS: You are always happy to respond.

The Hon. JOHN RYAN: I worked in a ministerial staff myself and I have no doubt that if I had been appointed—

The Hon. PETER PRIMROSE: That is the bloke who lost the election after you worked with him.

The Hon. JOHN RYAN: If I had been appointed to an important executive position within a government department immediately after or shortly after leaving a Minister's office, I would be characterised as someone who was a political appointment to a public service position. I suppose it is fair and we need to put it to you, Ms Spizzo, isn't it true that basically you are a well-trusted political apparatchik and there is obviously going to be political—

The Hon. JAN BURNSWOODS: What do you expect her to say? No, she is not trusted.

The Hon. JOHN RYAN: And people are going to ask questions that you are not doing the Minister's work from within the public service?

The Hon. JAN BURNSWOODS: You are still speaking to the point of order, I gather.

Ms SPIZZO: I think my experience and qualifications speak for themselves. I am more than qualified to do the work.

Ms SYLVIA HALE: On three occasions you have worked with Mr Knowles: when he was Minister for Planning, Minister for Health and the third occasion now that he is Minister for Infrastructure and Planning and Natural Resources?

Ms SPIZZO: Yes. However, I worked for the Department of Infrastructure, Planning and Natural Resources, for the director-general.

The Hon. DAVID OLDFIELD: Who was it that you worked for in the Federal sphere?

Ms SPIZZO: I worked at the Australia Council.

The Hon. DAVID OLDFIELD: As this position was a newly created position, can you just tell me briefly what it is you do, just briefly?

Ms SPIZZO: As I said in my statement, the office of the director-general is a major co-ordination role within the department as far as corporate governance, correspondence, ministerial briefs, ministerial liaison, media communications, strategic policy and planning, statutory planning reform that is under way, and building reform.

The Hon. DAVID OLDFIELD: And that is what you do?

Ms SPIZZO: I do, indeed.

The Hon. DAVID OLDFIELD: Seeing the position did not exist before you had it, who did the work then? How was the ministerial work, the planning and all the things you just mentioned with regard to infrastructure and forward thinking, dealt with before the position you have existed?

Ms SPIZZO: It was four separate departments, it was a different structure. Responsibilities get moved around in structures, as you know. I have been given additional responsibilities with respect to planning and building.

The Hon. DAVID OLDFIELD: A moment ago you said that Gary Prattley is the person who generally meet with Minister Beamer on a regular basis as opposed to you and Ms Westacott.

Ms SPIZZO: Yes.

The Hon. DAVID OLDFIELD: Is there another senior planner or person similar to Gary Prattley who also does that?

Ms SPIZZO: Occasionally Sam Haddad would come to those meetings, and when Andrew Cappie-Wood was the deputy director-general there in that position.

The Hon. DAVID OLDFIELD: He is not there now, though?

Ms SPIZZO: No.

The Hon. DAVID OLDFIELD: Who are the current people? Is there somebody other than Mr Prattley who has planning qualifications and engages the Minister in these meetings on a regular basis?

Ms SPIZZO: I am not in a position to comment. I do not go to all meetings.

The Hon. DAVID OLDFIELD: You just gave a number of comments.

Ms SPIZZO: Apart from the people I just mentioned, no. People come along to brief the Minister on specific issues, I suspect. That is not uncommon practice.

The Hon. DAVID OLDFIELD: But the Minister's key planning contact in the department is Gary Prattley?

Ms SPIZZO: I would not say he is the key planning, he is one of the major planning—

The Hon. DAVID OLDFIELD: Who are the other people that she meets with, then? You seem to be chopping backwards and forwards here. A moment ago you could not comment, then you are telling me these are the people, and now—

Ms SPIZZO: No, she meets with Sam Haddad.

The Hon. DAVID OLDFIELD: Sam Haddad does not have any planning qualifications. How often would she meet with Sam Haddad compared to Gary Prattley?

Ms SPIZZO: I am not in a position to comment. You need to go back and look at the agendas to see when Sam attends.

The Hon. DAVID OLDFIELD: So, to your knowledge, the major contact in the department from a planning point of view for the Minister is Gary Prattley, and on occasions Sam Haddad?

Ms SPIZZO: Yes, this year, since Andrew Cappie-Wood has left, yes.

The Hon. DAVID OLDFIELD: This year, that is cool.

Ms SYLVIA HALE: Ms Spizzo, I believe you were appointed director of the office of director-general in September 2003. When were you promoted to executive director?

Ms SPIZZO: When the structure was settled, in December last year, I think.

Ms SYLVIA HALE: Is it true that all requests for freedom of information pass through you? You are the one who determines whether this document will be released?

Ms SPIZZO: Freedom of information and privacy matters, ministerial matters and a number of other matters sit within the office of the director-general.

Ms SYLVIA HALE: You have the next best thing to the ultimate say as to whether or not document will be released?

Ms SPIZZO: Yes, but I do that within my statutory responsibilities.

The Hon. JAN BURNSWOODS: I gather at one stage you were deputy director of WESROC?

Ms SPIZZO: Yes, that is right.

The Hon. JAN BURNSWOODS: When was that?

Ms SPIZZO: Between 1989 and 1992 I was the deputy director of the Western Sydney Regional Organisation of Councils, a body made up of the 10 councils in Western Sydney.

The Hon. JAN BURNSWOODS: You were there working on issues of urban development and infrastructure, and so on?

Ms SPIZZO: Urban development, social planning, human services, transport, roads, a number of areas.

Ms SYLVIA HALE: Does WESROC encompass Liverpool?

Ms SPIZZO: Yes, it does.

The Hon. JAN BURNSWOODS: At that time, given the amount of evidence we have heard about the needs of Western Sydney, the employment situation, and so on, I assume you were fairly familiar with that? I am trying to find out exactly what sort of areas you were involved in and the extent to which staff there specialised in different areas.

Ms SPIZZO: Having worked in Western Sydney, I was certainly involved in economic development and employment issues in Western Sydney. It was a major issue. So was the centres policy, for example. The centres policy was significant in providing employment generation within Parramatta, Blacktown, Penrith, Liverpool and Campbelltown. Without those sorts of policies you would not have had the same sort of transport, employment and economic development opportunities that have arisen since then.

The Hon. JAN BURNSWOODS: Would it be true to say that the centres policy is much more relevant to growth areas and areas like Western Sydney, and perhaps some of the coastal areas, rather than to the older, established metropolitan areas?

Ms SPIZZO: Yes. In a way that would be true. It is about encouraging critical mass of infrastructure and economic development. You do not get one without the other.

The Hon. JAN BURNSWOODS: Could I just turn to a couple of questions more specifically about Liverpool council, and so on. You have told the Committee you were not handling the file dealing with Liverpool council's attempt to amend the LEP?

Ms SPIZZO: No, not personally, no.

The Hon. JAN BURNSWOODS: You talk about what you now know since the Minister's decision, and so on. Would you say that the section 69 report was not written by the senior planners—drafted, written, whatever?

Ms SPIZZO: Predominantly, no, it was not written by senior planners.

The Hon. JAN BURNSWOODS: Is it true that it was drafted by an officer in the Parramatta office?

Ms SPIZZO: Yes.

The Hon. JAN BURNSWOODS: We have heard quite a lot of argument—I am not sure that evidence would be the right word—about planners and planning qualifications, and so on. Would it be true to say that neither of the officers who worked on the planning, that is Ms Cheetham and Mr Birds, would be regarded or considered inside DIPNR as the department's most senior planners?

Ms SPIZZO: Well, they are certainly not the department's most senior planners, no.

The Hon. JAN BURNSWOODS: So the plan was being prepared at a relatively low level, the section 69 report?

The Hon. DAVID OLDFIELD: Are they senior planners?

Ms SPIZZO: No. It is not a reflection on their capacity, but they were not senior planners. It depends on your definition of senior planner.

The Hon. JOHN RYAN: Mr Prattley is.

Ms SPIZZO: He did not write the report.

The Hon. JOHN RYAN: He endorsed it, though.

The Hon. JAN BURNSWOODS: Madam Chair, I thought again we were on government questions. I do not know whether you heard or not the questions that were asked of Mr Mark Ryan this morning in relation to Ms Kibble?

Ms SPIZZO: No, I did not.

The Hon. JAN BURNSWOODS: We had it reiterated that as administrator of the sacked Liverpool council she supported the LEP amendment going to DIPNR for, she explained to us, social and economic reasons. Is it your understanding that is the case, that he did not argue for it or support its for planning reasons?

The Hon. JOHN RYAN: Point of order: I cannot tell how many times members of the Labor Party have asked other witnesses who have not spoken to Ms Kibble to put words into her mouth. As I understand it, Ms Kibble made it abundantly clear to this Committee way she supported the LEP. She said she would not have put it up if it did not have merit. In front of her when she put it up was a whole heap of town planning information and I do not believe—

The Hon. PETER PRIMROSE: This is a great point of order, Madam Chair. Are you going to say something about it? I presume it is just a debating point.

The Hon. JOHN RYAN: I know you like to ride sidecar to the Hon. Jan Burnswoods. It is not a debating point at all.

The Hon. PETER PRIMROSE: It is a debating point. What part of the standing orders is being breached?

The Hon. JOHN RYAN: You are asking someone to put words into someone else's mouth—again.

The Hon. JAN BURNSWOODS: My question was to ask Ms Spizzo whether she was aware that Ms Kibble had supported the LEP amendment going to DIPNR for social and economic reasons. I started asking had she heard evidence this morning. She said she had not. Mr Ryan may be a bit slow, but my question was to ask Ms Spizzo whether she was aware that that is what Ms Kibble had said.

Ms SPIZZO: It is my understanding that Ms Kibble did support the plan based on social and economic reasons, because the development was there. But she also said that if it were a greenfield situation, or words to that effect, she would probably not support it.

The Hon. JAN BURNSWOODS: I was going to ask you, quoting from the transcript of Ms Kibble here, her exact words were:

I may have taken a different position if I had been considering de novo a new application.

Given that Ms Kibble told the Committee this when she appeared before it, do you think that means she would also, if the illegal development had not been built and filled up by Mr Gazal with unsuspecting tenants and workers, Ms Kibble may have come to a different conclusion?

The Hon. JOHN RYAN: Just put some more words in Ms Kibble's mouth.

The Hon. JAN BURNSWOODS: Madam Chair, I am not putting any words in anyone's mouth. I am asking Ms Spizzo to give her opinion.

The Hon. JOHN RYAN: The Committee is perfectly capable of asking Ms Kibble again, if you like. Bring her in and we will ask her.

The Hon. JAN BURNSWOODS: Do you want to take over as chair?

The Hon. JOHN RYAN: No, I just get tired of you verballing Ms Kibble.

CHAIR: You are not required to give an opinion of what someone else might think.

The Hon. JAN BURNSWOODS: But if you wish to, of course, you may.

CHAIR: You do not have to answer the question if you do not wish to.

The Hon. JAN BURNSWOODS: Thank you, Madam Chair, I was not trying to force the witness to answer any of the questions I asked, but you do seem to have different rules here for my questions or other government questions from other members questions. Words are sought to be put in witnesses mouth's here all day and on previous days.

CHAIR: Let us just get on with it.

The Hon. JAN BURNSWOODS: I keep trying to get on with my questions but I keep being interrupted.

CHAIR: I would like Ms Spizzo to answer the question you asked her.

Ms SPIZZO: Sorry, can I have the question again?

The Hon. JAN BURNSWOODS: I think your phrase was that Ms Kibble drew a distinction between the social and economic issues and what she might have done if it had been a greenfield site—I think that was your phrase. I then asked whether you were aware that the words she used to this Committee were:

I may have taken a different position if I had been considering de novo a new application.

I asked whether you thought, if the illegal development had not been built and filled up by Mr Gazal with unsuspecting tenants and workers, Ms Kibble may have come to a different conclusion?

Ms SPIZZO: I am not in a position to comment.

The Hon. JAN BURNSWOODS: Is it your understanding under the EPA Act that the rules the Minister has to rely on in making her decision—that she makes a decision only on what is in the section 69 report or is she able to take into account other sound planning grounds?

Ms SPIZZO: I would have to say that are you testing my knowledge on section 69. I would need to go back and look at the Act. I cannot say off the top of my head. I would need to go back and look at the Act.

The Hon. JAN BURNSWOODS: Would you take that question on notice?

Ms SPIZZO: Yes.

The Hon. DAVID OLDFIELD: Are you aware of whether anybody in the department or the Minister's office discussed these matters, either with Eric Roozendaal or with Mark Habib?

Ms SPIZZO: No.

The Hon. DAVID OLDFIELD: I refer to the questions that you were recently asked by Jan Burnswoods, who generally demeaned the planners' work in your department. Ms Cheetham and Mr Birds—

The Hon. JAN BURNSWOODS: Point of order: I was not demeaning anybody. The issue as to whether people are senior or junior, which is the question that I was asking, is probably akin to the continued reiteration from Mr Oldfield that one of the most respected planners in New South Wales, Mr Sam Haddad is or is not without planning qualifications.

The Hon. DAVID OLDFIELD: Without is the answer.

The Hon. JAN BURNSWOODS: I am not demeaning these people by asking those questions. I am trying to obtain the facts. I think it would be clear that in using words like "senior" and "junior" in relation to planners and planning qualifications I was not intending to demean any body.

The Hon. DAVID OLDFIELD: Let me put it to you this way. Were Mr Birds and Ms Cheetham too junior to be doing this report?

Ms SPIZZO: No.

The Hon. DAVID OLDFIELD: Were they unusually junior for a report of this kind?

Ms SPIZZO: No.

The Hon. DAVID OLDFIELD: Is it fair then to say that "junior" is not even an appropriate term and that perhaps they were planners of the appropriate qualifications to be doing the report that they undertook to do?

Ms SPIZZO: I cannot really comment.

The Hon. DAVID OLDFIELD: I would have thought your previous two answers would have meant that you could?

The Hon. JAN BURNSWOODS: That is not a question; that is yet another offensive observation.

Ms SPIZZO: Can you repeat the question? I will try to answer it if I can.

The Hon. DAVID OLDFIELD: You told me, firstly, that they were not too junior to be doing the report. You told me, secondly, that they were not unusually junior in any way in relation to a report of this kind. I am simply asking: Rather than the use of the word "junior" would it be fair to say that they were appropriate in qualification to be undertaking and completing a report of this kind?

Ms SPIZZO: Yes.

The Hon. DAVID OLDFIELD: Good. If you had answered no, I would have asked you: Why were they assigned to it? Is it not correct also that Mr Prattley, who you told us a few moments ago is the person who mostly meets with Minister Beamer on planning matters and who, very clearly, is a senior planner, if not the most senior planner with qualifications, signed off and endorsed the plan?

Ms SPIZZO: Yes.

The Hon. DAVID OLDFIELD: So the section 69 report was put together with two planners of appropriate experience, qualifications and background to be doing the report and it was signed off and endorsed by a person who arguably is the most senior planner and the most common person to meet on planning issues with Minister Beamer?

Ms SPIZZO: I think we have discussed this matter to some extent. I am not referring to me personally, but you certainly discussed this matter with the director-general and with Gary Prattley.

CHAIR: Could you answer the question?

Ms SPIZZO: I cannot even remember what is the question.

The Hon. DAVID OLDFIELD: I will ask you the question again. I am just trying to summarise the answers you have given to the last few questions that I have asked. Given your previous answers, I am simply summarising by saying: Is it not fair to say that the report was put together by two planners with appropriate qualifications to complete that report and that the report was endorsed and signed off by the person who arguably is the most senior planner, Gary Prattley, who is also the person who most commonly meets with Minister Beamer on planning matters?

Ms SPIZZO: Yes. However, as Mr Prattley said in his evidence last week, he also reviewed his decision and changed his position.

The Hon. DAVID OLDFIELD: He changed his position only after Westacott approached him in relation to what appears to be the Minister's desire to be given material on why she could go about—

The Hon. PETER PRIMROSE: We will have this debate in the House. Let us ask questions and not make statements.

The Hon. DAVID OLDFIELD: I will ask that question. Are you of the understanding that Mr Prattley reviewed his decision of the endorsement of the plan at some date prior to being approached by Ms Westacott to do so?

Ms SPIZZO: I am not in a position to comment. I have never been privy to their discussions.

CHAIR: I thank you for your appearance today and for your patience.

(The witness withdrew)

FRANK PAUL MOSCA, Director, Mosca Pserras Architects, Suite 1, 21B, Bathurst Street, Liverpool, and

NABIL NASRI GAZAL, Managing Director, Gazcorp, 230 Victoria Road, Gladesville, and

SAMIR BARGSHOON, Proprietor, Bargshoon Cleaning Services, on former oaths, and

NABIL NEIL GAZAL JNR, Director, Gazcorp, 230 Victoria Road, Gladesville, sworn and examined:

CHAIR: Is that the capacity in which you are appearing today?

Mr GAZAL JNR: Yes.

CHAIR: I point out to you that, if you should consider at any stage during your evidence that certain evidence or documents you may wish to present should be heard or seen in private by the Committee, the Committee will consider your request. However, the Committee or the Legislative Council may subsequently publish the evidence if they decide that it is in the public interest to do so. Before we proceed, I wish to ask Mr Gazal Snr a question relating to Mr D'Agostino. Do you have any objection to Mr D'Agostino appearing as a witness? He is your legal adviser.

Mr GAZAL SNR: No, not at all.

CHAIR: So it is not a problem so far as you are concerned?

Mr GAZAL SNR: No, it is not a problem.

CHAIR: Do any of you wish to make an opening statement? I know that Mr Gazal Jnr does.

Mr MOSCA: Yes. It came to my attention through a facsimile that there was an article in the *Daily Telegraph* about Mr Woodpecker and a statement he made about a meeting he had with Westfield and that this took place, as I understand it—

CHAIR: Do you mean Mr Wedderburn?

Mr MOSCA: Sorry, Mr Wedderburn.

The Hon. DAVID OLDFIELD: I think you were right the first time.

Mr MOSCA: As I understand it he said that he had had this meeting with someone from Westfield in late April. Is that correct?

CHAIR: On 19 April, I think.

The Hon. DAVID OLDFIELD: That is correct.

Mr MOSCA: Subsequent to that he went to the Minister and the chief of staff, Mr Michael Meagher, and they knew of me at that point. Is that correct?

Ms SYLVIA HALE: Your name seems to have been suggested at that meeting.

The Hon. JAN BURNSWOODS: Madam Chair, this is either a statement or it is not.

Ms SYLVIA HALE: We are just trying to clarify certain issues.

Mr MOSCA: You will find from my affidavits from my court appearances in relation to this application that the first time I ever spoke to Mr Michael Meagher was 22 June. When I did speak to Mr Michael Meagher he wanted to know who I was because he was not aware of me. I said, "I am the applicant for this rezoning

application." He said, "Okay, fair enough, keep going." He did not know who I was and he did not want to talk about something without knowing who I was. I find it hard to believe that something got said about me. My name was made well known somehow on or about late April, yet the first time I spoke to Diane Beamer's office at all is at the end of June. So I hear about 40 phone calls of this and that. I never said 40 phone calls.

It has been made as a statement to me that 40 phone calls have been made. I think there would be less than 10 made to Ms Beamer's office. I never spoke to Ms Beamer and I never spoke to anyone else in Ms Beamer's office part from Mr Michael Meagher, unless someone else answered the phone and sent a message to Mr Meagher. So I find it hard to understand how I could have been known to these people in April, given though I had not spoken to them until the end of June. The man asked me who I was and what connection I had. I just wanted to clear that up.

CHAIR: Thank you, Mr Mosca.

Mr MOSCA: I wish to refer to a few other things. I understand that a few drawings were made available this morning. I am a bit annoyed about all this. When we talk about things that happen and not happen, years ago there was a cinema application made to Liverpool council. I saw zoning permissions ticked off and disappear overnight. I then see people ask DIPNR to join the application against us with council to fight us against the cinemas, and DIPNR shows up. We lose this case because there is no savings provision. There were five or 10 QCs on all sides and no-one sees these savings provisions and we lost it based on that.

A commercial report is made for Liverpool to show why we should not have cinemas. Regardless of that, things go on. In those reports, by the way, those commercial statements for Liverpool show where we are headed. In those reports there is also a statement that a factory outlet would be a good idea for Liverpool somewhere. This was back then while we were getting screwed over, again by Westfield. I got a phone call from a client, who I will name in camera if need be, saying, "We have lost." I said, "How could that be? I am one of the applicants. I would know." I got a phone call, "You have lost." I have to pay the bet and I have to take people to lunch. I said, "No, you are wrong." I rang my clients and asked, "Have we lost?" They said, "No. Joe has not made the announcement yet." I said, "Fair enough. Okay."

We go on. A week later, lo and behold, it is judgment time. Judgment time comes and we lost. Surprise! I rang planners, my consultants and said, "Listen, by the way, we lost." They said, "Yes, we know." I said, "How do you know?" They said, "We found out about it a week ago." I said, "Thank you." Westfield continually does what it wants at Liverpool. It buys roads that are heritage listed and we have to sit back and let it happen. There are two DCP30s. There is a DCP30 and a new DCP. That DCP states, "Westfield and anyone who develops here should have an active streetscape", yet we have a car park. I objected to that. I wrote a submission.

I was too late to get to the Independent Hearing and Assessment Panel [IHAP] meeting. The meeting was closed before I got there. The one objector who was there had made amends and they had agreed on something. They knew I was an objector and that I was coming. The meeting closed and I was told, "Sorry, you are too late." So I did not get to make my objection heard at IHAP. Lo and behold the development gets passed and heritage roads get bought. In relation to what goes on and what does not go on, there seems to be plenty that goes on. In relation to Liverpool making its own decisions, it seems to be out of people's hands. It seems to be out of a lot of people's hands there. But in this case there have been a lot of allegations of me doing this and me doing that. I have to say that I am getting quite tired of it. I have been in Liverpool for a long time and I think I can do my job.

In relation to how I lobby or do not lobby, I lobby in the way you are allowed to lobby, and I lobby and I work hard for my client. If they are in the right I will fight. If they are in the wrong I tell them, "I can't argue this because I don't believe it myself", and that is the way I work. So in relation to many things I am just tired by the fact we do not seem to be getting anywhere here. We have lost an appeal today, I do not know how. There are people out there that are not going to know what to do tomorrow and it is all on the basis of legally you cannot do it or whatever, I do not know. It has all turned to rubbish now. I am losing all faith in what you people are supposed to stand for. It is wrong.

You talk about my late-night meetings with Craig Knowles. I made a phone call, I said, "Stan, I need to come and see you. I need to see Craig". He gets here late. I then got a message from my wife where Stan had attended my house at 9.30 at night and said, "Listen, Stan Knowles wants your phone number". I gave it to him: no problem. I got a message from Craig, "He doesn't want you to come tomorrow because the press will be here

about the nurses thing". "Stan, I need to see him. I will come tonight". "He gets back very late". "It doesn't matter, Stan". It is not unusual for me to want to see him. We go. It's too late, it looks dark. We try to phone and hang up. Marie rings back anyway. We come back the next morning. We thought we would go early. We did not block the driveway, we parked across the road. We waited until it was light, rolled in a bit. I do not know how we could block the Minister. Doesn't he get a car to drive him to and from work?

Anyway, we get invited in. Craig: "You are stupid for coming here. Come in". I have no problem with Craig, I have nothing against Craig Knowles, but we did get invited in; we did get asked if we wanted coffee and they did take the box of Krispy Kremes because we thought it was made to come with the children, whatever. So we were there for all of three minutes—four minutes maybe. In this time we show him the document in relation to a letter from Stephen Driscoll which said, "This section 69 report is finished but there are some outstanding issues". I think you will find that in my affidavits that were attached in the court. He said, "So it's not finished". "Craig, but our understanding is that the thing is finished. We have never heard of anything outstanding". Craig: "Look, you shouldn't be here. You could be accused of trying to influence a Minister. There could be a media scrum out there for this nurses thing". "We'll go", Nabil said, "Let's go". We left.

Two days later, after we did get the section 69 report through our subpoena—and, by the way, the subpoenaed documents did not include those things about meetings with Westfield or Bob Carr, so we did not get everything you guys got in our subpoena—in relation to the section 69 report, it was clear to me then that what Mr Tripodi was saying was obviously true. I then rang Mr Stan Knowles, one of the few phone calls I did actually make. I rang Mr Stan Knowles and said, "Stan, I need to see you". Stan chastised me for the late night meeting or the early morning meeting, whichever one it was; I agreed, I said, "Sorry, Stan, you're right". He said, "Come on, come over". We sat down; we had a cup of coffee. I handed him the section 69 report along with the Westacott letter. I said, "Stan, look, this is crazy stuff. If this gets out it's not going to be good. It is just disastrous". I said, "ICAC is going to get involved, Brogden is going to make a meal of it, he's going to do something. It's not going to be good for the Party. This is crazy. You've got to get it to Craig". He said, "Why does ICAC have to get involved? Why does Brogden have to get involved?" I said, "Stan, you are going to try and screw this guy over. This isn't a DA that's not going to go ahead, this is a building that's up with people in it, 400 jobs. Do you think it's going to go quietly or something? This is crazy. Do something. Speak to Craig, show him what's going on".

I had a phone call while I was there so I could corroborate that I was there. I am sure the phone records will show that I was there. I left. It was good terms. There was no hard feelings, and I left. So I just wanted to clear up those couple of issues so that nothing else gets twisted in any way that it should not be.

CHAIR: Thank you, Mr Mosca. Mr Gazal Jnr, you have a statement to make?

Mr GAZAL JNR: Yes, I just want to make a brief statement to dispel some of the untruths and blatant lies that the Government and Bob Carr and all your spin doctors have been making about this situation. Firstly, Bob Carr says that the decision not to rezone the land was made on some sound planning principles. If that is the case then why did three senior planners sign off on it? Why did the corporate counsel for DIPNR, the Crown Solicitor and the Parliamentary Counsel all agree that the planning could be made? Why? That is sound planning advice, huh? Then Ms Laurel Cheetham informed the inquiry, I think it was last week, that in her 20 years' experience not once has this occurred, not once. But this is sound planning. So what has been happening the last 20 years? It is beyond comprehension. It defies logic that this section 69 report was written and now Laurel Cheetham is incompetent all of a sudden after 20 years.

The only two people that said that Ms Laurel Cheetham does not know how to write the report are Ms Westacott and Mr Sam Haddad, and both of them have politically appointed positions. So I wonder whose side they are on. And in the words of Mr Prattley, it was a political decision and not a planning one. Those were his words. Ms Westacott went further to quote out of context from the report that \$18 million will be lost over two years resulting in job losses and causing irreparable damage to the CBD. Yet the centre has been operating for 10 months now and it is already part of the Liverpool community, and not one piece of evidence has been produced to substantiate her claim, or the Government's claim that any jobs were lost or any businesses have closed down. Not one piece of evidence in what, three weeks the inquiry has been running now? Not one piece of evidence. Not one job loss from the CBD and yet \$18 million is going to be lost and all these jobs from the CBD are going to be lost.

Mr MOSCA: Could I clarify something for you there, junior? The \$18 million refers to if both Cross Roads and this development were running. So that is how misquoted she has been.

Mr GAZAL JNR: Further, the designer outlet centre will turn over about \$30 million to \$40 million each year. So that is a net gain to Liverpool. If it is \$18 million over two years that is \$9 million each year. That is a minimum gain of \$21 million to Liverpool, the Liverpool community. So how does she not see that as a net benefit? She is completely out of context. Now if we close down not only will this business activity be lost from Liverpool but 450 people will find themselves out of work, which is going to happen tomorrow, and 60 businesses will be put on the scrap heap, which is happening tomorrow thanks to your Government. And that is a net community benefit, is it? Net community benefit: 450 jobs lost, 60 businesses on the scrap heap. Net community benefit? Gosh, if Ms Westacott stays on in the department for another five years I would hate to see what New South Wales would be like with all her ideas of net community benefit.

Bob Carr states that we obtained a DA on the quiet by a council in disrepute and on the slippery slide to dismissal. We applied for the DA in February 2002 and received the consent from Liverpool council in November of that year. Liverpool council has never deliberated on the issue, as Bob Carr seemed to think, and the DA was advertised and not one single objection was received, not one objection. The project was assessed on planning merit and approved on planning merit alone. Bob Carr claims that we got the DA for something and turned it into something else, which is simply untrue. We apply for a factory outlet DA and the council was fully aware of what we intended to create. Again, in Mr Carr's haste to defend Minister Knowles he got it wrong. He stated that Minister Knowles did not know what he was opening; he thought he was opening a bulky goods centre. But when Minister Knowles opened the designer outlets in Liverpool he knew exactly what he was doing. Westfield made sure of that in their meeting two days before.

Bob Carr accuses us of not caring for the staff at the centre and he says that when his Government was trying to help we kicked the jobs co-ordinator off the premises, which is completely untrue. This jobs co-ordinator barged into the centre unannounced, centre management never knew he was coming, and he started telling the workers what to do; they got really annoyed and some of them got aggressive. The security acted quickly and escorted him off the premises, and it was for his safety. Since then they have not contacted us, they are just claiming we are unco-operating, and all the rest of the crap that they are spinning.

The Hon. JAN BURNSWOODS: Mr Ryan objected to that language.

Mr GAZAL JNR: What, more comments from the peanut gallery? You did not have much to say at the centre when all the—

The Hon. PETER PRIMROSE: We had a friendly escort out too.

Mr GAZAL JNR: You had a lot to say out there, didn't you?

The Hon. PETER PRIMROSE: Yes.

Mr GAZAL JNR: And I am sure if you went there you would be able to comfort them and say, "Sound planning advice"—

The Hon. PETER PRIMROSE: Have you met with Mr Brodgen or his staff? How about answering a few questions?

Mr GAZAL JNR: I am about to.

CHAIR: Do not be diverted by interruptions.

The Hon. JOHN RYAN: If I might respond to Mr Primrose's point of order.

The Hon. PETER PRIMROSE: I have not made a point of order.

The Hon. JOHN RYAN: About not objecting to unparliamentary language. I will agree that some unparliamentary language was used, but I just figure that today of all days might be a day on which we might leave this young man alone.

The Hon. PETER PRIMROSE: You called him. You wanted him here today.

The Hon. DAVID OLDFIELD: No, you called him.

The Hon. PETER PRIMROSE: You set the day. Yes, we wanted him here because we have some interesting questions, but not today.

The Hon. JOHN RYAN: We just might leave them alone.

The Hon. PETER PRIMROSE: We will have to come back next Monday, if that is what you want.

The Hon. JOHN RYAN: We are not going to be picky about their language.

Mr GAZAL JNR: This is the third day we have been here, which is more than can be said for your Ministers and Bob Carr, your Premier. They have not had the guts to come and sit here. This is the third day we have been here.

The Hon. PETER PRIMROSE: How about Mr Brogden's staff in then?

CHAIR: Mr Gazal, will you continue?

Mr GAZAL JNR: We have answered every question.

The Hon. PETER PRIMROSE: Not yet.

Mr GAZAL JNR: It must be said that no real jobs have been found. All the Government have done is picked up the newspaper and gone through and said, "Oh, okay, here's some retail jobs. Look, we've found jobs". But no real jobs have been offered to these people. So how much do they really care? It is one thing to promise jobs for all the staff at the centre but what about the businesses? What about the 60 businesses and all the tenants, all the money they invested. When they go bankrupt what quick fix do you have for them? What spin can you put on for them? But you have forgotten about them. It is only, "Oh, we are finding hundreds of jobs for everybody and everything is going to be all right". Mr Wedderburn told the Committee last Wednesday that he was so concerned about smearing our reputations that he could not bring himself to put it on to paper the allegations of corruption that Mr Ryan, with all his diagrams and—

The Hon. DAVID OLDFIELD: Point of order: Nabil Gazal Jnr was specifically requested to be here by the Labor Party and at least two-thirds of those representatives have just had a little natter amongst themselves during his statement.

CHAIR: Yes, it is diverting. If you would not mind, if you want to have private conversations you might leave the hearing temporarily.

The Hon. JAN BURNSWOODS: And you will apply that ruling to the other Committee members as well, Madam Chair?

The Hon. PETER PRIMROSE: In an unbiased fashion?

CHAIR: Yes, sure. I would like to hear what Mr Gazal is saying uninterrupted.

The Hon. DAVID OLDFIELD: And we presumed you wanted to hear what he had to say because you requested he be here.

The Hon. JAN BURNSWOODS: When Ms Hale and Mr Ryan and Mr Oldfield continue their speeches all the time someone is talking you will apply the same ruling?

CHAIR: Mr Gazal, you may proceed.

Mr GAZAL JNR: So Mr Wedderburn says that he could not bring himself to write down any notes of corruption because he was so scared that if they ever wired his notes that our names would be there and there would be allegations of corruption. But he freely smeared our names and dragged all of us through the mud when he came and gave his opening statement to the inquiry. But he could not write anything down and his anticorruption alarm bells rang. Well, when Joe Tripodi informed us of the corruption within the Premier's office our anticorruption alarm bells also rang, but we went to ICAC. We did not have the luxury of going to the Premier. We did go to ICAC, that is why they are investigating.

This is how ridiculous it is: Westfield claimed that we are corrupt, that we corrupted the council officers, the councillors, Gabrielle Kibble, and then we were going to encircle Diane Beamer and corrupt her as well. That is the allegations. Yet all of this it happened over two years and they were so concerned not once did they go to ICAC, not once. But all of a sudden there is corruption; it gives them an excuse to go to the Premier's office and bang, Diane Beamer's press release about how good this centre is and everything goes out the window. Oh yes, but that is sound planning principles.

Bob Carr has demonised my father and smeared his reputation in an attempt to shift the blame away from himself because he feels guilty about his unjust actions. The most childish claim is that my father had, among others, known Phuong Ngo. Mr Carr seems to forget that Phuong Ngo was a member of the Labor Party and rubbed shoulders with many of his own Ministers, and in fact it was those Ministers that introduced Phuong Ngo No to my father.

To set the record straight, we have never been involved in any corrupt activities. We have been open and honest about the whole Orange Grove affair and we have had the decency to come to this inquiry for what is now the third day to answer all of your questions—the third day, and it is probably going to go for another day. And we are happy to come as many days as you like. That is more than can be said for your Premier and your senior Ministers. Mr Carr claims that his Government has been the victim of a dishonest campaign aimed at intimidating them. But we have done nothing more than tell the truth. But, then again, you all know what they say about the truth: it hurts. Bob Carr and his spin doctors have done all they can to discredit my father and Gazcorp. They can spin until their faces turned blue, but the cold, hard reality is that 400 people are going to lose their jobs today and 60 businesses are going to go down the tubes. And this Government cannot come up with one single good reason why that should happen. It is an absolute disgrace.

CHAIR: Could either of the Mr Gazals update the Committee of the current status of the shopping centre and the legal position? What will happen?

Mr GAZAL SNR: The court gave us six weeks ago a stay of judgment until 25 August. It seems there is some misunderstanding. Our lawyer did not understand that he should apply before 25 August. It seems the judge said that the tenants, if they want to have extra time, they should have applied a bit earlier or put in an affidavit. But it seems there is some technicality. Our lawyer says that they had not been party to the action and the judge did not make them a party. That is why they could not apply. The judge decided today that he had enough with it and according to the document this is our last day of being open. That is why the centre will be closed tomorrow.

CHAIR: Does that mean that at midnight tonight it closes?

Mr GAZAL SNR: At midnight tonight it will close, yes. The doors will be open because of the bulky goods retailers. We have to. We have a previous DA as bulky goods before the DA which we got for when we changed the use to factory outlet. We can keep the doors open but there will be only five or six tenants—maybe seven—who can trade under the bulky goods banner. I do not know whether they are going to trade or not. We have no idea. We will be meeting with the tenants maybe Monday or Tuesday next week to see what course of action we should take. Tomorrow all these people will be out of jobs and the centre will be closed, basically.

CHAIR: And do they know that yet?

Mr GAZAL SNR: Yes, some of them are resisting. They say they are going to open. We cannot do anything. We are not going to stop them violently, anyway.

CHAIR: So some of them are going to open regardless?

Mr GAZAL SNR: We have to open the doors because there are coffee shops, food shops and, like, hardware, which are allowed under the bulky goods zoning. Therefore they are allowed to open. That is why the doors will be open. But many of the other tenants want to defy the order and open the shops. I really have no idea what is going to happen.

CHAIR: I appreciate that.

The Hon. DAVID OLDFIELD: Mr Mosca, I might start with you. There was an allegation made—I know that you said something in your opening statement—that there was a figure offered somebody at a council in regard to a bribe, essentially offered to someone at council in regard to the cinema complex. Is that correct?

Mr MOSCA: That I am aware of, no.

The Hon. DAVID OLDFIELD: Mr Gazal, are you aware of either yourself for anyone in Gazcorp—

Mr GAZAL SNR: Never. If they have any evidence I would like it to be tabled and I would like to answer it. What figure?

The Hon. DAVID OLDFIELD: It was \$70,000. It is an odd figure, really. You would think it would be \$50,000 or \$100,000.

Mr GAZAL SNR: I read something in the paper claiming that Sanchez had been offered money by Phuong Ngo. That is what I read in the Telegraph.

The Hon. DAVID OLDFIELD: It has no relationship to you, anyway?

Mr GAZAL SNR: It has no relationship whatsoever to me.

The Hon. DAVID OLDFIELD: Were any other offers made or were you approached in any way by people in regard to the cinema complex at any time when you were applying for that—

Mr GAZAL SNR: Phuong Ngo approached me when I was introduced to him by Reba Meagher and Joe Tripodi. The next day he rang me and he offered me a piece of land in the Fairfield area which he had an option on—not him, really. I think the company was a Rodney Adler company. They had an option on a piece of land in the Fairfield area. He offered me to buy the option.

The Hon. DAVID OLDFIELD: Mr Mosca, I want to get this clarified for the record because it was raised earlier, and I think it was raised incorrectly earlier. Mr Turrisi was employed on a couple of matters as a contractor for you, was he?

Mr MOSCA: For clients.

The Hon. DAVID OLDFIELD: He was employed by you on behalf of other clients?

Mr MOSCA: Normally he gets paid by the clients. What they are is matters—reports. They were only very recently. I recommended against my clients using Mr Turrisi in Liverpool because I did not think it was right.

The Hon. DAVID OLDFIELD: Who were those clients?

Mr MOSCA: I would rather—

The Hon. DAVID OLDFIELD: Okay, was at Mr Gazal?

Mr MOSCA: No.

The Hon. DAVID OLDFIELD: Mr Gazal, have you employed Mr Turrisi that any stage?

Mr GAZAL SNR: Yes, my son employed him for a small report.

The Hon. DAVID OLDFIELD: On what?

Mr GAZAL JNR: There was some confusion about the DAs, whether the tenants needed to get DAs. We had some planning advice saying that they did not. We just wanted to get some more advice on that issue. I called Frank and Frank said, "Gerard would know because he was the one who was involved in the whole thing and now he is working as a consultant. So why don't you give him a call?" We never intended to employ him; it was just supposed to be an over the phone announcement by us. Then he ended up saying, "I cannot give you advice like that. You have to put it in writing." I think we ended up paying him a couple of hundred dollars for his advice.

The Hon. DAVID OLDFIELD: Mr Mosca, you would not have been here but earlier the gentleman from Westfields tried to make quite a bit of these various associations. He tried to make a lot of Mr Turrisi, work for the council, this went through the council, it was all very corrupt and then the next thing he is working for you and Mr Gazal. He also made the point, and we have heard this from other people, that you are responsible for some 80 per cent—I know you had said it is not quite that much—of the approvals that go through Liverpool council. Is it fair to say that if you had left Liverpool council and you were looking for a job as a consultant you would be best trying to work with a person who gets 80 per cent of the work?

Mr MOSCA: Oh, yes.

Ms SYLVIA HALE: It was asserted today that Mr Turrisi was on the payroll. Has Mr Turrisi been on the payroll of any of your companies?

Mr GAZAL SNR: Never.

Mr MOSCA: No.

Mr GAZAL JNR: No.

Ms SYLVIA HALE: So there is no evidence to that?

Mr GAZAL JNR: It is just typical. They make allegations and cannot back it up.

Ms SYLVIA HALE: Mr Gazal, you said that you were introduced to Phuong Ngo. Who made those introductions?

Mr GAZAL SNR: Joe Tripodi and Reba Meagher.

Ms SYLVIA HALE: Do you know if Mr Knowles knew Phuong Ngo?

Mr GAZAL SNR: Yes, I know he knew Phuong Ngo because, as a matter of fact, he asked me whether I wanted him to lobby Craig Knowles for me.

Ms SYLVIA HALE: So Phuong Ngo asked you—

Mr GAZAL SNR: If I needed the help of Craig Knowles. I told him, no, I know Craig Knowles. He offered his services.

Ms SYLVIA HALE: Over what period did you know Phuong Ngo?

Mr GAZAL SNR: Maybe five or six months.

Ms SYLVIA HALE: Is anyone aware of how long Mr Ngo had been a member of the Labor Party?

Mr GAZAL SNR: I do not know. I met him—

Mr BARGSHOON: About 20 years.

Ms SYLVIA HALE: In the course of the 20 years he would have come into contact with very many members of the Labor Party.

Mr BARGSHOON: He runs the biggest branch in Canley Vale, with over 800 members.

Ms SYLVIA HALE: And you knew him, Mr Bargshoon?

Mr BARGSHOON: Yes, through the Labor Party.

Ms SYLVIA HALE: Mr Mosca, do you know Mr Wedderburn?

Mr MOSCA: No.

Ms SYLVIA HALE: You have never had any conversations with Mr Wedderburn at all?

Mr MOSCA: No.

Ms SYLVIA HALE: So you did not attempt to ring him or to talk to him at all?

Mr MOSCA: I did not know who he was until this.

Ms SYLVIA HALE: Mr Mosca, what conversations have you had with Mr Knowles in regard to Orange Grove?

Mr MOSCA: The ones that I have tabled to you now when I saw him at the opening.

Ms SYLVIA HALE: This morning in his testimony Mr Ryan said there were a number of reasons that he was concerned about what was happening at Orange Grove. One of those reasons was the unconventional lobbying.

Mr MOSCA: This would be part of the 40 phone calls that I am supposed to—

Ms SYLVIA HALE: Presumably.

The Hon. DAVID OLDFIELD: It was a lot worse than just phone calls. It was corrupt activity, essentially.

Ms SYLVIA HALE: In the forms of lobbying that you engaged in, which as far as I can make out consist of phone calls, a meeting—however briefly—with Mr Knowles—

Mr MOSCA: This is after the approval?

Ms SYLVIA HALE: Or before the approval. Would you regard any of the lobbying that people are engaged in—

Mr MOSCA: I thought I was not doing any good because it took an awful long time for this think to get anywhere. It took two DAs to get to that point. There was a DA lodged initially that they looked at for months and then decided, now that we have got this information, there needs to be a new DA, not an amended DA. So we put in a new DA. It was looked at very carefully by the planning staff at Liverpool City Council. It was not a quick thing by any means.

Ms SYLVIA HALE: So when Mark Ryan suggests that the lobbying was unconventional you would disagree with that statement?

Mr MOSCA: I totally disagree with that.

Mr GAZAL SNR: What does he mean by unconventional?

Ms SYLVIA HALE: I do not think he made that perfectly clear. The second concern he had was about irregularities in the approvals process. Is anyone here aware of any irregularities in that process?

Mr GAZAL SNR: No.

Mr MOSCA: Someone tried to raise the fact that approval was subsequently issued only a day or so later. The matter had been with the planners for 10 or so months in total. There were no objections. There were no objections subsequent. So it means there were no like objections either in the FOI or the documents we received. In part of our court case we found that Westfields knew full well the latest they could object. There are notes on the file that said "two months to object". So there did not seem to be any concern on the part of Westfield in relation to when they had to object or if. They just knew that they had two months to object. They were well aware of the approval and they chose to object at a very late stage in order to cause as much harm and disruption as possible.

Ms SYLVIA HALE: A third reason that Mr Mark Ryan advanced was that he was so concerned about the reputation of Liverpool council that he thought that any decisions made by that council would be tainted, or that was the implication of what he was saying.

Mr MOSCA: Including the sale of the roads to them, the approvals of 30,000 square metres of additional floor space. Those approvals were quite legitimate.

Ms SYLVIA HALE: I assume he was talking about the approvals process for the rezoning. But to the best of your knowledge who in Liverpool council actually endorsed the rezoning plan?

Mr GAZAL SNR: Gabrielle Kibble.

Mr MOSCA: The rezoning was Gabrielle Kibble.

Mr GAZAL SNR: She is corrupt, you know.

Ms SYLVIA HALE: Do you have any reason to think that in any way Gabrielle Kibble should be under a cloud in connection with her endorsement of the proposed plan?

Mr MOSCA: Not at all.

Ms SYLVIA HALE: The fourth ground was that Mr Mark Ryan produced a diagram.

The Hon. DAVID OLDFIELD: A flowchart.

Ms SYLVIA HALE: Yes, a flowchart.

Mr MOSCA: I have not seen it. I have heard people talking about it.

Mr GAZAL JNR: Could we see that diagram?

Ms SYLVIA HALE: I understand that it is going to be tabled at some stage but I do not think anyone has had a chance to examine it in detail.

Mr GAZAL SNR: Could you ask him if he dares to table it outside this room—if he is a man?

Ms SYLVIA HALE: I presume when it is provided to the Committee it will be made public and then you will have the opportunity to see it. That diagram purported to show that, either individually or collectively, you were at the centre of a local network of influence. What response would you make?

Mr GAZAL SNR: He is a liar.

Ms SYLVIA HALE: I think the purpose of the diagram—

Mr GAZAL SNR: May I ask something? Is he saying that he is worried about us being corrupt regarding the rezoning or regarding the DA?

Ms SYLVIA HALE: I think it was in regard to both matters.

Mr GAZAL SNR: Let us take the DA. The DA took about 10 months in council. When it came to 19 April when he met, or wanted to meet, the Premier it was over a year and a half old. He was a staffer of Mr Paul Keating. He knows about ICAC. Why did he not report it to ICAC? If the council is corrupt—if the council did not touch the DA, the officer or the planner could be corrupt—why did he not report it to ICAC? Why did he go to court? He should have reported it to ICAC. That was his duty if he believed there was corruption or allegations of corruption. That is about the DA. Let us forget about the DA; let us say that it is corrupt. The rezoning was passed by Ms Gabrielle Kibble. She could be corrupt, he is saying; or, if she is corrupt, we are corrupting her. Why did he not go to ICAC? Why did he go to the Premier about seven or 10 days later? He should have moved directly on to ICAC and reported Ms Gabrielle Kibble, if she is corrupt, because she is the one who passed the rezoning. We did not even propose the rezoning. We did not apply for the rezoning. It is all on the council record.

Mr MOSCA: Not Gazcorp, myself or anyone else even spoke to Ms Kibble prior to this decision.

Mr GAZAL SNR: Even now I have not spoken to her. I do not know her.

Ms SYLVIA HALE: So none of you had any contact with Ms Kibble at all.

Mr GAZAL SNR: None of us have spoken to her, even now. I have never spoken to Ms Kibble. I have never met her; I have never known her. I do not know how I could corrupt her—perhaps through the air.

Ms SYLVIA HALE: What do you think Mr Mark Ryan's purpose today was in attributing to you this circle of malign influence that was presumably encircling the Minister?

Mr MOSCA: Someone has to come up with a reason why those emails were sent. They are coming up with the excuse that there was a meeting between Wedderburn and this Ryan to say that it was about what they said. Yet the emails do not reflect that. They do not reflect some planning concern or say "Let's have a look at it". No-one mentions Ryan or Wedderburn. You know where the emails came from and where they went. The only thing I can think of is that they are trying to give some reason for this meeting apart from what the emails suggest the meeting was for. But, as you know, I never spoke to this Michael Meagher until 22 June. So they got that one a little bit wrong.

Mr GAZAL SNR: They fabricated the whole story.

Ms SYLVIA HALE: Do you suggest that the purpose of the evidence is to present a diversion so that attention is directed away from the influence exerted by Westfield on the planning process and onto you by some sort of unspecified assertion that your activities were corrupt?

Mr MOSCA: Yes, that is correct.

Ms SYLVIA HALE: It is a way of demonising you.

Mr MOSCA: Yes.

Mr GAZAL SNR: Logically, if there is corruption, an allegation of corruption or they believe we are encircling Minister Beamer, they should go to ICAC, not to the Premier. They went to the Premier and camouflaged the story with all these allegations that they do not to talk about outside because they wanted to divert the course of justice. At that time Minister Beamer and her department found out that the plan could be made and should be made. She had already drafted a press release. This is why they had the meeting within a short period—within an hour. They used their access to the Premier to derail our rezoning. This is all that they did it for. There was nothing about corruption. I do not think they dreamt this business.

Ms SYLVIA HALE: Gentlemen, I have received a copy of the diagram. Madam Chair, is it possible to make a copy available to the witnesses?

Mr GAZAL SNR: Thank you.

CHAIR: It is not a public document.

The Hon. JOHN RYAN: I move:

That the document that we have all now received become a public document.

The Hon. PETER PRIMROSE: I thought I had already moved earlier that it become a public document.

CHAIR: Yes, I think you did. Could someone put a copy of the diagram in front of Mr Gazal?

The Hon. JOHN RYAN: He can have mine. I think it is the most pernicious document that I have seen in a long time. It does not reflect well on the person who put it together, in my view.

Mr GAZAL SNR: It must be a good dream.

Ms SYLVIA HALE: Working from the left of the document, I think Mr Bargshoon said that Phuong Ngo had been a member of the Labor Party for more than 20 years. He was very influential, ran the largest branch in Canley Vale and had been introduced to Mr Gazal by Reba Meagher and Joe Tripodi. So the connection there is through Reba Meagher and Joe Tripodi. If we go down the document, we have Liverpool council. We know that Liverpool council had been dismissed four weeks before Gabrielle Kibble recommended the adoption of the draft LEP. Then we see Mr Paciullo, who was a former Minister in the Labor Government.

Mr GAZAL SNR: For your information, Mr Paciullo voted against us on the cinema. I had not spoken to Mr Paciullo since 1996. The first time since then was when he rang me when he had been defamed by the Premier. He called him a disgrace and the council into disrepute.

Ms SYLVIA HALE: In his evidence the other day Mr Wedderburn mentioned the names of two Liverpool councillors who came up during the meeting with Mark Ryan and Mr Wedderburn. They were Mr Paciullo and Councillor Beuk. What are your connections with either of those gentlemen?

Mr GAZAL SNR: I know Mr Beuk through Mr Mosca. I met him a few times—I might have met him 10 times. As a matter of fact, I met them both about six or seven years ago. Mr Paciullo I met when we had the cinema. When we applied for the cinema he was the mayor of Liverpool. I went to talk to him about the cinema and lobbied him. He told me that he was voting against us and I never spoke to him since 1996.

Ms SYLVIA HALE: Thank you. My time has expired. I think Government members might take you on a discussion of the rest of the diagram.

Mr GAZAL SNR: I am the boss here; I am the godfather. Thank you.

The Hon. JAN BURNSWOODS: Madam Chair, I thought John Ryan was to be next.

The Hon. JOHN RYAN: I do want to ask some questions but, to be perfectly honest, I am waiting to compose myself. I am a bit upset.

The Hon. JAN BURNSWOODS: Mr Gazal Snr, have you or your family met with Mr Brogden?

Mr GAZAL SNR: Yes, I met him for the first time about two weeks ago when he came and visited the centre. I had never met Mr Brogden before that.

The Hon. JAN BURNSWOODS: Have you or your family met with Mr Brogden's staff?

Mr GAZAL SNR: No, I met with Mr Brogden first. I have never met with Mr Brogden's staff. I met them here. I do not know them by name.

The Hon. JAN BURNSWOODS: Have you or your family met with Ms Seaton?

Mr GAZAL SNR: Who?

The Hon. JAN BURNSWOODS: Peta Seaton.

The Hon. JOHN RYAN: Peta Seaton, the shadow Minister for Planning?

Mr GAZAL SNR: No, I do not know him.

The Hon. JAN BURNSWOODS: What did you discuss with Mr Brogden two weeks ago?

Mr GAZAL SNR: I never discussed anything. I said, "Thank you for coming to support the staff of the centre." He came with John Laws; that is why I met him.

The Hon. JAN BURNSWOODS: So you have only met him at the centre.

Mr GAZAL SNR: This is it. That is what I am telling you.

The Hon. JAN BURNSWOODS: Presumably his staff were with him.

Mr GAZAL SNR: No, he had one guy with him called Lance—and he had John Laws with him.

The Hon. JAN BURNSWOODS: Who?

Mr GAZAL SNR: John Laws.

The Hon. JOHN RYAN: John Laws, the well-known broadcaster.

Mr GAZAL SNR: I went there to meet John Laws and I met him. That was the first time I met Mr Brogden.

The Hon. JAN BURNSWOODS: Mr Gazal, have you, your family or your companies made any donations to the Liberal Party?

Mr GAZAL SNR: Not in the last few years, no.

The Hon. JOHN RYAN: I can promise you that we have missed out there.

The Hon. JAN BURNSWOODS: When did you last make donations to the Liberal Party?

Mr GAZAL SNR: I really cannot recall. It was maybe six or seven years ago.

The Hon. JAN BURNSWOODS: So it would have been in 1998 or thereabouts?

Mr GAZAL SNR: The last time was maybe in 1996.

The Hon. JAN BURNSWOODS: Can you take that question on notice and get back to us with details of your donations?

Mr GAZAL SNR: If I have a record. I recall that it was when Hewson was—

The Hon. JOHN RYAN: I think he lost the unlosable election in 1993.

Mr GAZAL SNR: I do not need to take the question on notice.

The Hon. JAN BURNSWOODS: Mr Ryan—

The Hon. JOHN RYAN: He was looking at me and asking for assistance.

The Hon. PETER PRIMROSE: Keep composing yourself, Mr Ryan.

The Hon. JAN BURNSWOODS: Can I please ask my questions without help from the extras?

Mr GAZAL SNR: I do not need to take the question on notice. I am sure of it. The last time that I donated was when a friend of mine had a function—Michael Warzack—for Hewson, who was running for Prime Minister. I donated \$3,000 or \$4,000. That is the last time that I donated to the Liberal Party.

The Hon. JAN BURNSWOODS: Have any of your companies—

Mr GAZAL SNR: That is it—my company, myself, my staff, my dog and my chief of staff. Everything. I am not Bob Carr.

The Hon. JAN BURNSWOODS: So you are saying that you have not made any donations to the Liberal Party—

Mr GAZAL SNR: I am saying that under oath, yes.

The Hon. JAN BURNSWOODS: Thank you. We have already mentioned the fact that the Court of Appeal today decided that the development must close. Can you tell us why you misled the 60 businesses and the workers there in relation to the legality of your operations?

Mr GAZAL SNR: You are saying that I misled them. You ask the question properly and I will answer you. I never misled anybody. You are misleading with your question. Please ask it properly.

The Hon. JAN BURNSWOODS: In relation to their leases, did you mislead the 60—

Mr GAZAL SNR: No, I never misled anybody. The leases were done through a solicitor and through an agent. I never misled anybody.

The Hon. JAN BURNSWOODS: Do you think it would be true to say that your solicitor misled the tenants?

Mr GAZAL SNR: No, nobody from our company, our solicitor, our dog or our chief of staff misled anybody.

The Hon. JAN BURNSWOODS: Do you think it would be true to say that your solicitor misled the tenants?

Mr GAZAL SNR: No, nobody from our company or our solicitor, our dog or our chief of staff misled anybody.

The Hon. JAN BURNSWOODS: The decision of the court today was the third court decision that the development was illegal, should never have opened and has to close.

Mr GAZAL SNR: No, the court did not decide that today. You are totally wrong, Madam. It did not decide today that the development is illegal. All the court said was that it is not renewing the stay of judgment. Therefore, you are not saying the truth.

The Hon. JAN BURNSWOODS: In relation to the tenants—the leaseholders and shopkeepers—you have not told them the truth about—

Mr GAZAL SNR: I told them the truth, the whole truth.

The Hon. JAN BURNSWOODS: I do not think you have let me finish the question.

Mr GAZAL SNR: I know what you were going to ask.

The Hon. JAN BURNSWOODS: You have not told them the truth in relation to their leases from the beginning—

CHAIR: Is that a question?

The Hon. JAN BURNSWOODS: Yes, before Mr Gazal interrupted me it was prefaced by, "Is it true that".

CHAIR: Okay.

The Hon. JAN BURNSWOODS: Is it true that you have not told your tenants the truth when they were being asked to sign leases about the illegality of the development?

Mr GAZAL SNR: No, we told them the truth when the truth happened—when the matter happened and the lawsuit. A month later when we knew about the lawsuit we wrote to them and told them all about the lawsuit. They have been informed verbally, through letters.

The Hon. JAN BURNSWOODS: Can you table copies of those letters?

Mr GAZAL SNR: We gave you a copy of the letters.

Mr GAZAL JNR: Just on this matter—

The Hon. JAN BURNSWOODS: I am sorry, there will be questions to you later but at this stage I am asking questions of Mr Gazal, snr.

The Hon. JOHN RYAN: Point of order: It is usual when we interview a group of witnesses that when we put the questions to one, it is permissible for another witness to make a response if it is relevant. I do recall in previous evidence Mr Gazal explained that the issue of the leases about which you are seeking to have information was handled by Nabil Gazal jnr. I think he is the most relevant witness to answer the question. I do not see any reason why he should be gagged by the Hon. Jan Burnswoods.

The Hon. JAN BURNSWOODS: To the point of order: In the very near future I do have some questions for Mr Gazal, jnr, but at this stage I am deliberately asking Mr Gazal, snr, about matters that he has spoken to this committee before and then I will ask Mr Gazal, jnr, but I would prefer to do it in that order.

The Hon. JAN BURNSWOODS: When you appeared before us on the first occasion in response to our questions you said that you would provide the leases to the committee but then later you changed your mind?

Mr GAZAL SNR: Yes, I checked with my solicitor. That is why I gave you his letter. They are two-party leases. They are the tenants. Every lease has two parties and I cannot provide the leases. I provide you with a copy of the standard lease but I cannot provide a copy where it shows who are the two parties because it is a commercial lease with the parties. Maybe I have to check with them to see if they are happy to provide or not provide it to the committee.

The Hon. JAN BURNSWOODS: If the committee were to check with the tenants and they were happy would you have no objection to provide the committee with the leases?

Mr GAZAL SNR: If you check with the tenant they will give you the lease themselves. You do not need me.

Mr BARGSHOON: I do not think they will talk to you. You saw how they treated you there. They kicked you out of the centre.

Mr GAZAL SNR: But if they agree I will give you the leases. If every tenant agrees in writing and you send me a letter I will give you the leases.

The Hon. JAN BURNSWOODS: If one or two of the tenants are happy for the committee to see the leases—

Mr GAZAL SNR: Yes, no problem, just get it in writing from them and I will provide the leases.

The Hon. JAN BURNSWOODS: There seems to be a major question mark over the validity of the leases and whether the tenants, in fact, signed the leases or you signed the leases.

Mr GAZAL SNR: It is between us and the tenants. If you want to talk to the tenant you can talk to them if they want.

The Hon. JAN BURNSWOODS: Our difficulty is that if tenants tell us that you or your representatives did not sign the lease there is a real doubt about the validity of the leases.

Mr GAZAL SNR: When they complete their requirement we will sign the leases.

The Hon. JAN BURNSWOODS: Are you admitting you have not signed the leases?

Mr GAZAL SNR: No, we are admitting that there are some signed. I gave you a letter. You do not read the letter. You ask for them. We get you a letter from our lawyer which states the whole lot telling about all the leases. How many are signed, how many are needed to be completed. If you read the letter you do not ask the questions.

The Hon. JAN BURNSWOODS: You said that your son Mr Nabil Gazal, jnr, manages the lease negotiations?

Mr GAZAL SNR: He worked himself, the agent and the lawyer on the leases, yes. He was closer.

The Hon. JAN BURNSWOODS: Who is the agent?

Mr GAZAL SNR: Con Stanipolous from Knights Frank. I can get you his number and his name.

The Hon. JAN BURNSWOODS: Why are we interested in citing the leases?

Mr GAZAL SNR: I have no idea. You did not tell me. Did you?

The Hon. JAN BURNSWOODS: Did you or your organisation not disclose to your tenants the illegality of the development and that you have, in fact, misled them and therefore some of them are planning to take action against you under the Retail Tenancies Act?

Mr GAZAL SNR: No, we misled nobody. We told them the truth. We wrote them letters. If some of them decide to ignore the letter, it is their problem. Have you known of anybody who took action against us?

The Hon. JAN BURNSWOODS: Have you also misled and used Mr Bargshoon through this process?

Mr GAZAL SNR: Used him and misused him?

The Hon. JAN BURNSWOODS: And misled him?

Mr GAZAL SNR: And misled him, no.

Mr GAZAL SNR: In relation to his cleaning contract?

Mr GAZAL SNR: No, I never misled him.

Mr BARGSHOON: He is not Paul Lynch.

The Hon. JAN BURNSWOODS: You or your son mentioned that you referred this whole matter to the ICAC?

Mr GAZAL SNR: I did, myself, yes. My son was not here when I referred.

The Hon. JAN BURNSWOODS: Did you refer it to them formally or did you send documents?

Mr GAZAL SNR: Yes, formally, I went to their office, gave them all the documents we received from the department which we subpoenaed which now we know that they have been cheating us and they did not send the whole documents.

The Hon. JAN BURNSWOODS: When did you go to the ICAC?

Mr GAZAL SNR: The next day. We went on Monday. We knew on Friday about the refusal. On 12 July we went to the ICAC and we gave them the statutory declaration and we told them the story. We spent about two hours there. It was in the morning too, for your information, I did not leave it til the afternoon.

The Hon. JAN BURNSWOODS: Apparently, a few weeks ago some of your cars were damaged and you brought it to the attention of the media. Did you also bring it to the attention of the police?

Mr GAZAL SNR: Yes, we reported it two police stations.

The Hon. JAN BURNSWOODS: Is it true that the security car park where these cars were is shared with the Prime Minister?

Mr GAZAL SNR: Yes.

The Hon. JAN BURNSWOODS: Is it true that there are electronic security devices including closed circuit television?

Mr GAZAL SNR: No, not in the car park.

The Hon. JAN BURNSWOODS: At the site?

Mr GAZAL SNR: No, only at the level where the Prime Minister is.

The Hon. JAN BURNSWOODS: Have you claimed for the damage on your insurance policy?

Mr GAZAL SNR: We are claiming. The car is already in the garage and we are claiming on the insurance.

The Hon. JAN BURNSWOODS: Are you aware of the penalties associated with insurance fraud?

Mr GAZAL SNR: Are you serious?

The Hon. JOHN RYAN: What a disgrace! What an abject disgrace! You miserable piece of work! These people have lost their businesses and you have got the hide to accuse him, without any evidence, of a crime! Where do you get off? You miserable piece of work.

The Hon. PETER PRIMROSE: Either the Hon. John Ryan is taken outside to calm down or I will move we go into committee and then come back.

CHAIR: The question is out of order.

The Hon. JOHN RYAN: Absolutely.

The Hon. PETER PRIMROSE: He has made an allegation as well.

The Hon. JOHN RYAN: I have not made any allegation, she has made an allegation.

CHAIR: The question is out of order. It has nothing to do with the terms of reference.

The Hon. JOHN RYAN: The Labor Party's smear of this man goes on and you picked up the torch brilliantly.

The Hon. JAN BURNSWOODS: He is a very worried man today. Forgive him.

The Hon. JOHN RYAN: I am not worried. I am upset. There is a big deal of difference.

Mr GAZAL SNR: The Labor Party should be worried.

Ms SYLVIA HALE: A huge number of people have lost their jobs.

The Hon. JOHN RYAN: Unlike, you I actually lost sleep over the people affected by this. I have woken up and thought about what approaches them, what might happen to them and what might happen to their families. I give a damn. I do not know about those three and what goes through their veins but I can assure them I am actually concerned about these people, those who work for them and their businesses.

The Hon. JAN BURNSWOODS: I show you a newspaper article on 27 February 2002 in the *Liverpool Leader*. It states that the Liverpool council chambers were to be demolished and new ones built on another site and that a memorandum of understanding had been signed by the council and the owner. At that time Mr Paciullo was the mayor. Do you have any other knowledge about this article?

Mr GAZAL SNR: No, I had been approached by somebody from the council who wanted to move the council to a property near my property which I bought in Scott Street and Terminus Street. A guy called Murray Douglas approached me through Frank Mosca. They knew I bought this property between Terminus and Scott Street and they wanted to buy a small piece of land from my property and build council chambers there.

The Hon. JAN BURNSWOODS: Did you discuss this matter with Mr Paciullo?

Mr GAZAL SNR: No, never.

The Hon. JAN BURNSWOODS: Did Mr Mosca?

Mr GAZAL SNR: I do not know if Mr Mosca discussed it. I discussed it with Murray Douglas.

The Hon. JAN BURNSWOODS: Who is he?

Mr GAZAL SNR: I do not know, he works as a consultant for the council. I have no idea who he is.

The Hon. JAN BURNSWOODS: What do you mean he is a consultant?

Mr GAZAL SNR: They told me he is a consultant for the council of Liverpool. I never met him before.

The Hon. JAN BURNSWOODS: An employee of the council or a consultant?

Mr GAZAL SNR: No, they told me he is a consultant. He is employed to find alternative locations for the council chambers.

The Hon. JAN BURNSWOODS: Mr Paciullo sent him to talk to you?

Mr GAZAL SNR: I do not know who sent him. I met him through Frank Mosca.

The Hon. JAN BURNSWOODS: If the committee were to obtain the papers from the council it would presumably get the detail about his conversation with Mr Mosca and then his conversation with you?

Mr GAZAL SNR: Please do. Yes, he was introduced to me by Mr Mosca.

The Hon. JAN BURNSWOODS: Do you want to comment Mr Mosca?

Mr MOSCA: Yes. None of those memoranda of understanding that were sent were signed. Mr Douglas was very keen to say that the council had established some sort of relationship with the owner of the Scott Street site. I said "You cannot release any names because we do not have any agreement with you in relation to everything." They needed to buy an adjoining site, a Westpac building site, which they subsequently did not buy so there is no possibility or any link between that site and any future council site and all those things were linked with the Oasis going ahead which did not go ahead.

The Hon. JAN BURNSWOODS: I was going to make that comment because the article refers to the fact that it had been discussed building the chambers as part of the Oasis agreement?

Mr MOSCA: Yes, I understand.

The Hon. JAN BURNSWOODS: Are you happy if this committee looks at the Liverpool council files?

Mr GAZAL SNR: Look at anything you like. We are happy with anything you check.

The Hon. PETER PRIMROSE: Mr Gazal, jnr, have you met with Mr Brogden or any of his staff?

Mr GAZAL JNR: We met with Mr Brogden when he came with John Laws to the centre two weeks ago when he was acting as a future Premier should act, that is, protecting jobs for 450 people and 60 businesses in Liverpool which today have been destroyed by you and your Government.

The Hon. PETER PRIMROSE: Have you met with or spoken on the phone to any other members of his staff at any other time?

Mr GAZAL JNR: No, I met with Mr Brogden two weeks ago at the centre and his staff member Lance Northey when the 450 jobs existed and today they do not because of you and your Government. You should be proud!

The Hon. PETER PRIMROSE: Was he sympathetic to your case?

Mr GAZAL JNR: Of course he was. Sympathetic not just to our case but because of the 450 people that are employed there who tomorrow do not have jobs.

The Hon. PETER PRIMROSE: What did you discuss with him?

Mr GAZAL JNR: We exchanged pleasantries and discussed how despicable the actions of this Government are.

The Hon. PETER PRIMROSE: Who employs you?

Mr GAZAL JNR: The company?

The Hon. PETER PRIMROSE: The company?

Mr GAZAL JNR: My father, Gazcorp.

The Hon. PETER PRIMROSE: It is just Gazcorp and no other company or trust or other holding company?

Mr GAZAL JNR: No.

The Hon. PETER PRIMROSE: When you carry out your job who gives you instructions?

Mr GAZAL JNR: My father gives me a lot of responsibility and I do not really get that many instructions except from our legal representatives. Yes, from my father.

The Hon. PETER PRIMROSE: He gives you instructions on how to carry out your job?

Mr GAZAL JNR: Just like Bob Carr gives you your instructions, and the department of planning and Minister Knowles and Minister Beamer, yes.

The Hon. PETER PRIMROSE: What is the mechanism by which the company you work for receives their rental moneys from Orange Grove tenants? Does it come to you, the company, or an agent?

Mr GAZAL JNR: I am not sure how that works. It comes to the company through the bank, I guess.

CHAIR: Mr John Ryan?

The Hon. PETER PRIMROSE: Could I ask a follow-on?

The Hon. JOHN RYAN: I am perfectly happy for that to be finished, because left uninterrupted it might be misinterpreted.

CHAIR: Okay.

Mr GAZAL SNR: I can answer this. It comes through the transfer direct to the bank, direct credit, or it comes through cheques. There are two ways the money comes to us. Some of them send through cheque by mail and some of them through direct credit.

The Hon. PETER PRIMROSE: But these have been negotiated by you, Mr Gazal Jnr?

Mr GAZAL JNR: Yes, that is correct.

The Hon. PETER PRIMROSE: I have a few more but I will defer to Mr Ryan and then come back to mine.

The Hon. JOHN RYAN: First of all, if I might say to our witnesses: I can understand that today is a pretty tough day for you and the people out at the factory outlet. I sympathise with the position that you are in. Nevertheless, we have to ask you some questions.

Mr GAZAL SNR: We should be there, helping the people and trying to see but we were requested to be here and that is why we are here.

The Hon. JOHN RYAN: I think we might have covered this before, but I just wanted to be clear about it. When did you first start to speak to Mr Tripodi and ask him to make representations for you in regard to the Orange Grove development?

Mr GAZAL SNR: I have not spoken myself. Mr Tripodi approached Sam and Sam approached me and asked me. When the matter was going to go to the Department of Planning, Mr Bargshoon approached me and asked me if I will accept the help of Mr Tripodi. This is around early April or late March. During this time I met Mr Tripodi a few times because, as I told you, he likes to come and sit in the—

Mr BARGSHOON: He was at the opening.

Mr GAZAL SNR: I invited him to the opening because Mr Tripodi, I knew him since nearly over 10 years. As I told you, he is the one who introduced me to Phuong Ngo, but we did not have a very warm relation. Our personalities clashed all the time. This is why we had a cold relation. The relation got better lately when we started building the factory outlet and I invited him to the opening and he liked the place. He kept coming and usually he liked Gloria Jean's and he socialised there. You know he lives nearby. This is how I got to know him a bit better than usual.

The Hon. JOHN RYAN: Have any of you spoken to Mr Tripodi since he arrived back in the country from his honeymoon?

Mr GAZAL SNR: Not me.

Mr GAZAL JNR: No.

Mr BARGSHOON: I tried calling him. The first day his phone was off. The second day I called him, his phone rang out. He did not answer.

The Hon. JOHN RYAN: Have any of you ever met with Eric Roozendaal and have you ever discussed this issue with him?

Mr GAZAL SNR: I do not know Eric.

Mr GAZAL JNR: No.

Mr GAZAL SNR: Do you know Eric?

Mr BARGSHOON: Yeah, I know Eric, yes.

Mr GAZAL SNR: Did you meet with him, he is asking?

Mr BARGSHOON: No.

Mr GAZAL SNR: Have you met with Eric?

Mr MOSCA: No.

The Hon. JOHN RYAN: Did Westfield ever discuss with you the issue of a cinema complex and make an offer to you if you agreed to withdraw that application, Mr Gazal?

Mr GAZAL SNR: Yes. I have to give the background. I play cards since about nine or 10 years with Mr Frank Lowy, sometimes once a week, sometimes once every month. When the cinema problem flared and Reading wanted to build the cinema, Mr Lowy rang me. He asked me if I could come to see him in his office. This was the first time I had gone to Mr Lowy's office in William Street. We met in his boardroom. He discussed the matter of the cinema and he said that if I pull out, because we were trying to go to the Land and Environment after we have been refused by the Liverpool council, although the cinema was approved by the planner—a similar situation, the planner of the council recommended approval. I think George Paciullo, under instruction from head office—

Mr BARGSHOON: Della Bosca.

Mr GAZAL SNR: —rolled us and they refused the application and we did not get the DA. We threatened to go to the Land and Environment Court and we were preparing to go to the Land and Environment Court. What happened: Mr Frank Lowy asked me if I would meet with Mr Birds of Greater Union and he made me an offer. He said, "Whatever the expenses you have plus half a million dollars, shaft Reading. Get them out of—cancel the deal with Reading". I said, "Frank, I can't. I shook hands with them and we are already in agreement; we signed the deal. If the matter doesn't go into council, we will have to go with them to the Land and Environment." I said I could not do it. He offered me half a million over my expenses to shaft—to get rid of Reading; cancel the agreement with them, but I refused the offer.

The Hon. JOHN RYAN: So you were effectively bribed to breach an agreement?

Mr GAZAL SNR: I do not know if it is a bribe. He asked me to tell you what is my expenses plus he will get me half a million dollars from Greater Union to cover everything and I will cancel the deal with Reading because Greater Union at that stage, and with Village, they did not want Reading to enter the market. They wanted to put in these 16 cinemas with lounge seating, the new system, and they found them a threat. We found out that this year, the year where we were shafted, where Reading lost the cinemas, Greater Union paid the Labor and the Liberal governments about \$800,000 to either one of them, in one year, in donations. You can check that—'96-97.

Ms SYLVIA HALE: Which year did you have the meeting with Mr Lowy?

Mr GAZAL SNR: Yes, we had the meeting.

Ms SYLVIA HALE: Which year was that?

Mr GAZAL SNR: I would have to check the file, but it is most probably '96. Frank is known to me. I know Frank. As I told you, we play cards sometimes.

The Hon. JOHN RYAN: Mr Gazal, can you or Mr Gazal Jnr explain the details about your subpoena for all files in relation to the Orange Grove site. When you subpoenaed documents, what did you ask for and what did you get?

Mr GAZAL JNR: I was not here.

Mr GAZAL SNR: My son was not here. He was in Lebanon when we put the subpoena. I rang my lawyer, Harshane Hahagalle from Allens Arthur Robinson, and I asked him, because I was worried that we were not getting information from DIPNR, to issue a subpoena to get the documents because we wanted to go to the court. I asked him to subpoena every document related to the application for a rezoning. They sent us a file this thick with a clip on it, and this is the file we found all these letters from. We found the section 69, we found the submissions from the corporate council, we found some of the emails between Ms Westacott and we found the memorandum; it was on the top of the list which were sent. On the same day we sent the subpoena and we got the documents there was the memorandum sent to Minister Beamer from her director-general.

As a matter of fact, I heard a lot about Ms Westacott that she only saw the file at the end of June. There is her signature showing seeing the file on 4 June and she saw it on 16 June and then she saw it on 24 June. Why didn't she make the letter to Mrs Beamer on 4 June? If you look at the cover sheet of the section 69, you will find that the director-general signed on the file on 4 June.

The Hon. JOHN RYAN: In any event, are you now aware that there were files that you requested that were not sent to you?

Mr GAZAL SNR: Yes, when I saw the correspondence and the file and the documents which were tabled in the inquiry. They cheated us. They did not tell us the truth. They have been lying.

The Hon. JOHN RYAN: Which emails and files would you have been interested in?

Mr GAZAL SNR: About the meeting with Frank Lowy because this is the meeting that Joe Tripodi told us happened and the connection between the Premier's Department and Mrs Beamer because Mrs Beamer said on radio more than once that she never met or talked to anybody; neither the Premier or his chief of staff or his dog or anybody there.

The Hon. JOHN RYAN: So you were not given that material relating to the meeting between Mr Lowy and the Premier?

Mr GAZAL SNR: No, we have not, otherwise we would have discussed it.

The Hon. JOHN RYAN: Do you believe that to be a breach of the subpoena?

Mr GAZAL SNR: Definitely a breach of the subpoena. I will let my lawyer look at it tomorrow.

The Hon. JOHN RYAN: Your existing bulky goods operation, is it full?

Mr GAZAL SNR: No. It is about 27 per cent vacant.

The Hon. JOHN RYAN: Is that some indication as to how much of the retail outlet is going to be full? If that is not full, is there any chance that you will be able to fill the existing retail outlet building?

Mr GAZAL SNR: Buckley's chance. Zero.

The Hon. JOHN RYAN: So what happens to that building?

Mr GAZAL SNR: It is going to be vacant and derelict; go back to being derelict. It is a very high maintenance building because it has a huge airconditioning and it has a lot of glass; it has a lot of maintenance and the outgoings on this building will be in the range of about \$100 a square metre. It will be very hard building to lease because it is built as a factory outlet, as a shopping destination, class 6 building. The fire system, the airconditioning; it is 5/6, which is, according to VCA, one of the most expensive buildings to build.

There is a point here, Mr Ryan. The Government, when they wrote the draft LEP 19—I cannot remember what the number is—they said there were going to be only two areas in Liverpool where they were going to allow bulky goods: the area between the Hume Highway and Cabramatta Creek where my land lays there, and an area opposite Warwick Farm racecourse. Suddenly in 2001-02 they rezoned a huge area of the Cross Roads, 7 kilometres to the north—to the south of my land for AMP, who is also a big donor to the ALP. They rezoned it from 4A to 4B, which allows bulky goods. All what they did, they did it with the stroke of a pen. They passed it through council; they got it through the department and it went through like a breeze, no problem whatsoever, and they took six of my tenants when they opened.

Now Mr Carr says he cannot do mine because it is not right but he can rezone the land from 4A to 4B. My rezoning, all what it needs is to add a use—warehouse clearance outlet. He made it a major issue. When he took the cinema out of the description of the land in '96, he did not find it any major issue at all; it was an easy thing. They did it in three weeks. They took the definition of "cinema" from the industrial land to please Westfield and Greater Union.

The Hon. JOHN RYAN: It was put to the Committee this morning by representatives of Westfield that you have been trying to rezone the land which use to be occupied by Viscount Caravans, I think, for in excess of a decade, is that true?

Mr GAZAL SNR: It is totally false. He hasn't got an idea, this guy, what he is talking. The land was zoned by itself, by the council when they did the draft—the new LEP. They give us 4B zoning in the area, which allows bulky goods. This is the only difference. And they said at that time only two areas in Liverpool, as I told you: our area between the Hume Highway and Cabramatta Creek, and the area opposite Warwick Farm. They were the only two areas allowed bulky goods. Only one rezoning I did. I did in '89 or '88 when Mark Latham was mayor. Ampol approached me to put a petrol station and I approached the council and they said it is not allowed under the use but they were going to bring it under the new LEP and he did a spot zoning for me.

At that time there was a Liberal Government, and the Minister was a Liberal Minister. He signed it and we had zoning. At the end, two years ago, I decided the station was not a good idea although they rezoned the whole area, that anybody could put a petrol station. I took petrol station out. It is irrelevant.

The Hon. JOHN RYAN: Is it not fair, though, that you sought rezoning for a petrol station and you sought rezoning for a cinema?

Mr GAZAL SNR: No, I did not seek rezoning for a cinema. The cinema was an allowed use under 4B, industrial, of the old LEP.

The Hon. JOHN RYAN: Why was it not approved?

Mr GAZAL SNR: Because Westfield does not want it to be approved. Westfield and Greater Union were fighting Ready Corporation. The American company came with the new idea, they want to put these 17, 18 theatres with stadium seating. They do not want any advancement. Once we put our application, Greater Union put out their application with Westfield—two weeks after. They did not care about putting a cinema in Liverpool. Once we put our application, they put their application and they fought us, and we lost. They rolled us over. We are getting used to it.

The Hon. JOHN RYAN: Obviously Westfield has taken a great deal of interest in what has happened on that site for some time?

Mr GAZAL SNR: Do not forget, they rezoned to have their land for Westfield Liverpool. Let Mr Carr know that, maybe Mr Packer does not tell him the whole truth. Half the land where Westfield is at the moment in Liverpool used to be the catholic school, residential land and road.

The Hon. JOHN RYAN: During the time that the Orange Grove matter was before Liverpool council, did Joe Tripodi or Sam Bargshoon make any representations to the council with a view to having that matter progressed?

Mr GAZAL SNR: I never discussed it with Sam, neither with Joe, during the whole period it was before council.

The Hon. JOHN RYAN: It has been suggested, Mr Mosca—and I only say this because it would appear my colleagues to the right of me do not have the courage to ask you this themselves—that you get better than good service from Liverpool council; that essentially you know the staff well and they seem to do special favours for you. If I use the words of Westfield, if you want a DA approved, the best person to give do is Frank Mosca, and it was suggested there was something improper about that. I think the implication he made was that you had the means of getting things out of Liverpool council that were less than honest. Is any of that true?

Mr MOSCA: No. I really take offence at that sort of thing. We work hard. The DA they talk about took 10 months in total. Any inspection of my DAs will show that we end up having to jump through hoops there. Because I have been there so long I know what they want, what they are going to ask. They ask, they change their minds, do this and then do that. I do my job. It is not as if it is an unusual thing for me. I do not do 80 per cent of the work in Liverpool. I might do my 80 per cent or 30 per cent of some of the larger work, but I have been there for 20 years. There are only a couple of architects there, in Liverpool. What do they expect?

The Hon. JOHN RYAN: Do you have arrangements with the Liverpool council that would not be similar for other architects in Liverpool?

Mr MOSCA: There is only one other and they do not do a lot of work in Liverpool. They do a lot of education work.

The Hon. JOHN RYAN: Mr Mosca, you might be the right person to put this to. Some documentation that Westfield has submitted to the Committee includes a resident's respondents chronology. On the chronology there is an item noted on 18 February 2003, inspection of site by council's senior planning surveyor. The memo records the observation that, "floor slabs have been constructed over existing floor slabs" and that as "no construction certificate has been issued this work would appear to be unauthorised." Do you know anything about that observation made by Liverpool council and is it, as would be implied by this notation, that illegal building work was carried out on the site?

Mr MOSCA: I do not know what site you are referring to?

The Hon. JOHN RYAN: I think the reference is to the Orange Grove site. Has illegal building work being carried out on the site?

Mr MOSCA: Not that I am aware of.

Mr GAZAL SNR: Who was the note addressed to?

The Hon. JOHN RYAN: I imagine it must be the document you have seen.

Mr GAZAL SNR: Maybe a Westfield note? Can they produce this note?

The Hon. JOHN RYAN: In any event, you have not had raised with you concerns that there has been illegal building work on the site?

Mr MOSCA: If any concerns were raised, they would have raised them with me and I would have dealt with them.

The Hon. JOHN RYAN: So a later notation which says, "inspection of site by council's senior building surveyor on 20 May 2003, " file note records observation of work undertaken on site that, "work up to this stage has been completed in accordance with previous DA and C/C." I am not sure what that was.

Mr MOSCA: It is a new way of saying DA—construction certificate.

The Hon. JOHN RYAN: Is there any suggestion that having observed the work, did you do anything with Liverpool council staff in order to get that notation made that the work had now been carried out?

Mr MOSCA: I would have pointed out to them that some of the work being done was as a result of the previous DA. We had a DA and a C/C for a bulky goods centre. Some of that work could have been attributed to that DA and C/C.

The Hon. PETER PRIMROSE: Can I go back to Mr Gazal Junior. When tenants sign their leases, do they also provide a stamp duty fee?

Mr GAZAL JNR: You would have to ask the lawyer.

The Hon. PETER PRIMROSE: But do you not do the negotiations?

Mr GAZAL JNR: That is not part of the negotiations. That is part of the legal process. You have never done property work before, have you?

The Hon. PETER PRIMROSE: Yes, I have.

Mr GAZAL JNR: Then you should know.

The Hon. PETER PRIMROSE: Yes, I do.

Mr GAZAL JNR: Then why did you ask the question?

The Hon. PETER PRIMROSE: You take instructions from your father, you do all the lease negotiations, you do not know the mechanism by which the company receives rental money, and you do not know whether stamp duty is part of the negotiations for doing leases?

Mr GAZAL JNR: That is not what I said.

The Hon. PETER PRIMROSE: When tenants sign their leases do they also provide a stamp duty fee?

Mr GAZAL JNR: That is a different question to what you asked before. You have to ask the legal people, because I am not sure how it happens or what they do. Yes, they do.

The Hon. PETER PRIMROSE: Who do they pay that to?

Mr GAZAL SNR: To the lawyer.

Mr GAZAL JNR: You are asking me something about—

The Hon. PETER PRIMROSE: I am asking you a question. Please feel free to say you cannot answer.

Mr GAZAL JNR: The lawyer is going to come here and then somehow you do not want him here anymore. You can ask him all of those questions.

The Hon. JAN BURNSWOODS: We have him down for Monday.

The Hon. PETER PRIMROSE: So, you do not know who they pay the stamp duty to?

Mr GAZAL JNR: I would assume that when you pay stamp duty it gets paid to the government. It makes taxes for people like you. People like you get paid by us. It is unbelievable. That is where stamp duty goes, I would assume.

The Hon. PETER PRIMROSE: Does Gazcorp provided a quarterly business activity statement to the tax office that all these payments form part of?

Mr GAZAL SNR: Yes, we do.

The Hon. PETER PRIMROSE: We understand Mr Agostino acts on behalf of Gazcorp. Does he take instructions from you, Mr Gazal Junior?

Mr GAZAL JNR: He takes from my father, myself.

Mr GAZAL SNR: He takes from both of us, yes.

The Hon. PETER PRIMROSE: So both of you are involved?

Mr GAZAL SNR: Yes, if he cannot find one of us he can take from the other.

The Hon. PETER PRIMROSE: Can I go again to Mr Gazal Junior. In evidence your father said you had carriage of arranging leases for the centre. Does that mean that you sign them?

Mr GAZAL JNR: I have been away for the past year overseas on some other matters that we have, so I have not been here to sign leases. If you ask me if I have signed any leases, the answer is no, but leases have been signed. On this point, seeing you have this interest in leases, you seem to think we never disclosed it to the tenants and you continue to make these sweeping claims and never listen to us. Here is a letter, and since you have done property work you would know that when you are opening the shopping centre there is a handover date and there is an opening date. In this instance, the handover date happened one month before the opening day. So, we have to inform our tenants of those dates. Otherwise, they would not know when they would be able to open their shops and start fit out.

When we sent that notice to them about the handover date and the opening date, we also informed them—in this letter which I signed and sent out to all the tenants—of the Land and Environment Court proceedings and we informed them before that that this one was the most important one because every tenant who went into the centre had to know when the opening date was and the handover date, otherwise they would not have been able to open their shops. They were all informed. In this letter we referred to the Land and Environment Court proceedings against Westfield, okay, and the council.

CHAIR: Would you like to table that?

Mr GAZAL JNR: Yes, I would love to. They seem to keep asking the same questions.

The Hon. PETER PRIMROSE: And can we make that public?

Mr GAZAL JNR: Please, make it public.

The Hon. PETER PRIMROSE: I would move that it be tabled and made public, as per the request of the witness.

Mr GAZAL JNR: I also have the lease for you. Here is the lease. It is the retail lease. There is no difference, every tenant got this lease. Some tenants got clauses negotiated out of it, some got clauses negotiated into it.

CHAIR: That is a standard lease?

Mr GAZAL JNR: That is a standard lease. That is the lease all the tenants got.

Motion by **Mr Primrose** agreed to:

That the lease be tabled and made public.

The Hon. PETER PRIMROSE: In negotiating the leases, which are effectively contracts, who signed them, Mr Gazal Junior?

Mr GAZAL SNR: Two officers from the company.

The Hon. PETER PRIMROSE: You have indicated that Mr Gazal Junior negotiated.

Mr GAZAL SNR: Yes, but he was not here.

Mr GAZAL JNR: You did not listen, did you? I said I was not here. You have a tendency to ask questions and not listen. If you did, you would not ask us the same question five times. This is the third day we are here because of your incompetence. Why do you not ask the question once and listen to the answer, and then you will not have to ask it again?

The Hon. PETER PRIMROSE: Can you tell me who signed the leases?

Mr GAZAL SNR: Two officers, two directors, from the company.

The Hon. PETER PRIMROSE: Who were they?

Mr GAZAL SNR: Sometimes I have not signed any and my son and my financial controller signed a few of the leases.

The Hon. PETER PRIMROSE: Which son is that?

Mr GAZAL SNR: My son Nicholas.

The Hon. PETER PRIMROSE: Nicholas signed them, and your—

Mr GAZAL SNR: Financial controller.

The Hon. PETER PRIMROSE: Can I just ask the name of the financial controller?

Mr GAZAL SNR: George Ayu.

Ms SYLVIA HALE: Mr Bagshoon, you just made a brief reference to having statutory declarations. Would you explain what you have?

Mr BARGSHOON: Yes. They keep on calling me here but they do not like to ask me any questions.

The Hon. PETER PRIMROSE: I have some questions for you.

Mr BARGSHOON: I am dying to answer them. The last time I was here I said about Lynch and Peter Primrose rorting the books. I was working with them back then, many years ago, and I gave a copy to Della Bosca, he was the secretary at the time of the ALP. I think I said I had seven but I turned out to have nine, and there are about another 99 with head office if you want to get access to them. My main concern is these ones, how Paul got elected, and he knows by rorting the books, people never attended branch meetings, they did not even know what it looks like.

The Hon. PETER PRIMROSE: I would move that they be tabled.

Mr BARGSHOON: I am happy to table them.

The Hon. PETER PRIMROSE: I move that they be tabled and made public. You are prepared to table them, Mr Bargshoon?

Mr BARGSHOON: I want to give them to you all for you all to have a look. I do not have a problem. I gave them to head office. I gave them to the media. You can have them too, as long as I can get a copy. I am here with you politicians, you can all have a look at these as well.

The Hon. PETER PRIMROSE: Are you prepared to table those photos?

Mr BARGSHOON: Yes.

The Hon. PETER PRIMROSE: Can I move that those photos be tabled as well?

Mr BARGSHOON: I had to bring these photos with me today after Craig Knowles washed his hands clean and I thought maybe Joe Tripodi might wash his hands clean.

The Hon. PETER PRIMROSE: I do not know how many times I have to say yes.

Mr BARGSHOON: I am talking!

CHAIR: Are you tabling those three items?

Mr BARGSHOON: These nine statutory declarations and photographs to show you that if we are crooks in the Labor Party we are all crooks, together with the Ministers.

CHAIR: Just answer the question. Are you tabling those documents and those photographs?

Mr BARGSHOON: Yes.

The Hon. PETER PRIMROSE: I ask that they be tabled and made public.

Mr BARGSHOON: These are photos of Premier Bob Carr and Mark Latham—the whole lot. This is the letter I mentioned. You can shake your head, Mr Primrose, when it comes to you.

The Hon. PETER PRIMROSE: I have already moved that they be tabled and made public. What else do you want me to say?

Mr BARGSHOON: They can be tabled and made public, as long as I get them back. This is a letter when Liverpool council was going to get the sack. Head office was not aware. They did not know at the time if they were going to get the administrator or what they were going to get. I could not find the letter I promised you that I would get. At the time they told me in head office that they had to join me up in the union. Mark Habib had to join me up in the union for me to come on Liverpool council. I said, "How do I do that?"

CHAIR: So you have another document to table?

The Hon. PETER PRIMROSE: These letters were written to every member.

Mr BARGSHOON: This letter was paid for by Australian Labor Party head office.

The Hon. PETER PRIMROSE: I ask that the letter the witness wishes to table be tabled and made public.

CHAIR: Are you happy to make it public?

Mr BARGSHOON: Yes, of course. It can be tabled and made public. We are not crooks.

CHAIR: Order!

The Hon. PETER PRIMROSE: I have moved that all that material be tabled and made public.

Mr BARGSHOON: You can go and ask Bob Carr if I made this photograph up.

Ms SYLVIA HALE: Mr Bargshoon, I have here a photograph with the Premier in the centre of the photograph at table No. 34. You appear to have your arms around the Premier and somewhere else.

Mr GAZAL SNR: He is a crook.

The Hon. PETER PRIMROSE: Who is a crook?

Mr GAZAL SNR: He is a crook. That is what you and Mr Wedderburn said.

Mr BARGSHOON: Premier Bob Carr is a crook. I will answer that for you.

The Hon. PETER PRIMROSE: Does Mr Mosca agree with that comment? Mr Mosca, do you agree with the comments made by these witnesses?

CHAIR: Order! Ms Sylvia Hale has the call.

Mr GAZAL SNR: Mr Wedderburn said that we are all crooks.

CHAIR: Order! Members should not be diverted. Ms Sylvia Hale has the call.

Ms SYLVIA HALE: Mr Bargshoon, would you care to identify all the people in that photograph?

Mr BARGSHOON: Yes. There is Shalkett.

Ms SYLVIA HALE: The muscle man from Rockdale council?

Mr BARGSHOON: Yes. His brother Mohammed is on the right-hand side of the photograph and then you have Premier Bob Carr. I would never put my hands on him again after knowing this. You then have a good mate of mine, Alan. I cannot remember the other person's name. She is from Canterbury council.

The Hon. JAN BURNSWOODS: Madam Chair, you said earlier that members would have five minutes each. Ms Hale has gone well over her five minutes.

Ms SYLVIA HALE: I ask for extended time now and I will be happy to hand over to Government members who can equally have extended time.

The Hon. JAN BURNSWOODS: That is fine, except Government members got only five minutes.

The Hon. JOHN RYAN: They can have all my time.

The Hon. PETER PRIMROSE: The Hon. John Ryan offered us all his time. I say to him that I appreciate that.

Ms SYLVIA HALE: Mr Bargshoon, could you tell the Committee when that photograph was taken and what was the occasion?

Mr BARGSHOON: I was invited to a wedding by Shalkett, Joe Tripodi and Reba Meagher. Actually, Joe Tripodi picked me up and took me to this.

Ms SYLVIA HALE: Do you know whose wedding it was?

Mr BARGSHOON: Yes, I do. I just cannot remember. It is a person in the Labor Party head office.

Ms SYLVIA HALE: Okay, fine.

Mr BARGSHOON: But all the other photographs are of my daughter's wedding.

Ms SYLVIA HALE: Could you identify who is in this next photograph?

SPEAKER1 That is the State member of Parliament Joe Tripodi. He is a good mate of mine.

Ms SYLVIA HALE: When was your daughter's wedding?

Mr BARGSHOON: My daughter's wedding was two years ago.

Ms SYLVIA HALE: At your daughter's wedding could you identify the people in that photograph?

Mr BARGSHOON: Yes, that is Reba Meagher. You can see me. I do not have to introduce myself. That is Reba Meagher in the middle. She is the State member. She is a Minister now. Thanks to Bob Carr he flogged Joe Tripodi and gave her the ministry. That is Reba Meagher, State member for Cabramatta and Minister for Fair Trading, and that is the former Deputy Mayor, Tony Beut, from Liverpool council.

Ms SYLVIA HALE: Thank you.

Mr BARGSHOON: I have pictures of Eddie Obeid, Mark Latham and Julie Irwin.

Ms SYLVIA HALE: Would you care to table those photographs?

Mr BARGSHOON: Yes. That is all the Labor Government. If my mates are crooks we are all the one team.

The Hon. JAN BURNSWOODS: I draw your attention to the fact that this inquiry has terms of reference. I know that we have turned into something of a circus.

Mr BARGSHOON: I have some photographs at home of Paul Lynch and me.

The Hon. JAN BURNSWOODS: We have all this chit-chat, offers to table photographs and Ms Sylvia Hale encouraging the tabling of things that have nothing to do with the terms of reference of this Committee.

CHAIR: Order! The Hon. Peter Primrose moved a motion to table the photographs.

The Hon. JAN BURNSWOODS: There is now a discussion about additional photographs.

Ms SYLVIA HALE: No, I am referring only to these photographs.

The Hon. JAN BURNSWOODS: I ask you to enforce some of the rules that apply to this Committee and to conduct things properly. Has Ms Sylvia Hale finished her short extension?

Mr BARGSHOON: That is why I tabled them for all of you to have a look, especially the Labor team.

Ms SYLVIA HALE: Mr Bargshoon, I am looking at a photograph of a number of people around a table. Who is gentleman to the left of the photograph?

Mr BARGSHOON: It is Joe Tripodi.

Ms SYLVIA HALE: Who is the gentleman sitting next to him?

Mr BARGSHOON: It is Eddie Obeid.

Ms SYLVIA HALE: At that time was he a Minister in the Labor Government?

Mr BARGSHOON: Yes.

Ms SYLVIA HALE: Who is sitting next to Mr Obeid?

Mr BARGSHOON: It is Shalkett and his brother from Rockdale council.

Ms SYLVIA HALE: There were some inquiries relating to corruption?

Mr BARGSHOON: We must all be crooks.

Ms SYLVIA HALE: Who is the person sitting next to the darkened figure?

Mr BARGSHOON: That is Shalkett's brother.

Ms SYLVIA HALE: I have another photograph here. Can you name who is in that photograph?

Mr BARGSHOON: That is Liverpool council for you.

Ms SYLVIA HALE: Could you name those people?

Mr BARGSHOON: We have Liverpool council. We have the former deputy mayor, we have Stephen Bowman from Liverpool council as well, we have Mark Latham and we have Geoff Irwin, who I am sure you are aware of. Joe Tripodi flogged him and took his seat. Then the last person is Shalkett's brother, Mohammed.

Ms SYLVIA HALE: So those photographs seem to suggest that across the Labor Party at all levels, up to and including the Premier, there are strong connections?

Mr BARGSHOON: I have hundreds more photographs. We are a pretty close team. But the only reason I brought them is because of what I am discovering. They wiped their hands clean so fast and they do not know Nabil. I said to myself, "Lucky I have a bit of evidence". Before I know it they are going to get up there and say "Mate, these two Labor people here are crooks. We do not know him because he knows Nabil." I want to make sure about everything. We have already been done over by Paul Lynch and his team, Peter Primrose and his wife, Jan Primrose. In the long run we have had him elected. Like I said, he won his seat against police Minister Peter Anderson—five numbers.

CHAIR: I think we have heard that before. Do Government members have questions?

The Hon. PETER PRIMROSE: Mr Gazal Jnr, in rough terms how many leases were signed by tenants prior to June 2003?

Mr GAZAL SNR: You have the letter.

Mr GAZAL JNR: Is this is the second time today that you are asking the question?

The Hon. PETER PRIMROSE: Yes.

Mr GAZAL JNR: And you asked it last time.

The Hon. PETER PRIMROSE: In rough terms how many leases were signed by tenants prior to June 2003?

Mr GAZAL JNR: I am not sure. There is a letter that has it that you guys have. Why do you not read it?

Mr GAZAL SNR: Read the letter. It tells you exactly.

The Hon. PETER PRIMROSE: I am asking you a question. If you cannot answer it, that is fine.

Mr GAZAL SNR: How would we know? It is 62 leases.

The Hon. PETER PRIMROSE: In rough terms?

Mr GAZAL SNR: In rough terms maybe two, three, five or 10. Maybe it is 15, 20, 23 or 48. I am giving you my opinion.

The Hon. PETER PRIMROSE: Clearly, you do not know.

Mr GAZAL SNR: If we knew we would tell you. We are not hiding anything. We gave you the letters.

The Hon. PETER PRIMROSE: So you would have no objection to taking on notice the question that I just asked. How many leases were signed after June 2003?

Mr GAZAL SNR: I will tell my solicitor to disclose everything except the names of the two parties on the lease and the commercial documents. You can ask him about everything.

Mr GAZAL JNR: How many people will lose their jobs today because of you and your Government? Do you like that question.

CHAIR: Let Mr Primrose ask his question.

The Hon. PETER PRIMROSE: You might wish to take on notice the question that I just asked. Equally, how many leases were signed after June 2003?

Mr GAZAL SNR: I really do not know.

The Hon. PETER PRIMROSE: How many leases were signed after 16 January and how many were signed after 31 May?

Mr GAZAL SNR: I would like to answer your question. I will give my solicitor a free hand. I will give him the freedom to tell you everything about the leases, except the names of the parties.

The Hon. PETER PRIMROSE: I simply ask that you take that question on notice.

Mr GAZAL SNR: What does that mean?

The Hon. JOHN RYAN: It means that you can answer it later.

Mr GAZAL SNR: I will come with my solicitor and answer it for you. I am happy to do that.

The Hon. PETER PRIMROSE: Mr Gazal Jnr, are you familiar with the Retail Leases Act?

Mr GAZAL JNR: In what sense? I am familiar that it exists, yes.

The Hon. PETER PRIMROSE: As you are negotiating leases are you familiar with the various aspects, clauses and objects of that piece of legislation?

Mr GAZAL JNR: I am familiar with it to a certain extent, but to what extent are you asking?

The Hon. PETER PRIMROSE: Are you aware that part of the Act requires the landlord to give a prospective tenant a disclosure statement prior to the signing of a lease?

Mr GAZAL JNR: Yes, I am aware of that and that was done.

The Hon. PETER PRIMROSE: For those tenants who signed after June, was it disclosed to them at the time of signing that the land use was subject to legal proceedings?

Mr GAZAL JNR: Yes.

The Hon. PETER PRIMROSE: So you are entirely comfortable that you have met the disclosure requirements of the Act?

Mr GAZAL JNR: Yes, we have.

The Hon. PETER PRIMROSE: So you are happy with it?

Mr GAZAL JNR: Yes, we are happy. I answered that. If you ask me again I will answer it. You can ask me it again if you want.

The Hon. PETER PRIMROSE: How do you explain the fact that at least two retailers from Orange Grove have applied for mediation of a dispute on the grounds that the legal action concerning the sites development consent was not disclosed to them?

Mr GAZAL JNR: I believe that there are two tenants in mitigation, but their doors were closed on them because they were not paying their rent. So whatever the legal action and all the rest of it has to do with it, they were not paying rent so they got kicked out of the centre. That is why there is mediation, not because of the legal action. As you are aware, today is the day everyone stops trading. Today is the day everyone loses their jobs and they go out of business. That is today. These people were in mediation a couple of months ago. It has nothing to do with the legal action.

The Hon. PETER PRIMROSE: And you are saying that the mediation—

Mr GAZAL JNR: Do you want to listen to me or are you going to ask me the same question again?

The Hon. PETER PRIMROSE: I am asking you a question. I will ask you the same question. Will you confirm that the legal action concerning the sites development consent was not disclosed to them? You believe that is not the reason—

Mr GAZAL SNR: These people have legal representation.

The Hon. PETER PRIMROSE: I asked your son a question. I want to get it clear—

Mr GAZAL SNR: I would like to answer the question because he does not know about the legal thing. If they have any right they can go to the board.

The Hon. PETER PRIMROSE: You gave evidence to the Committee when you asked about the leases.

Mr GAZAL SNR: That we informed them?

The Hon. PETER PRIMROSE: I am simply asking him a question now. He has indicated that the legal action does not involve—something to do with not paying rent. But he has indicated it does not involve legal action concerning the site's development consent was not disclosed.

Mr GAZAL JNR: We will see in court.

The Hon. PETER PRIMROSE: So you are not aware of the reason that the plaintiff has taken the action?

Mr GAZAL JNR: Did you just listen to me?

The Hon. PETER PRIMROSE: I am asking you. You are telling me the plaintiff's action was not taken on the basis of an undisclosed development consent?

Mr GAZAL SNR: It is a commercial matter between us and our tenant. If they have legal representation they will take the necessary action. You do not have to champion their cause to find them jobs.

The Hon. PETER PRIMROSE: I have asked your son a question, Mr Gazal. I would like an answer please.

Mr GAZAL JNR: Okay, we will take it on notice and let Mr Joe D'agostino answer that question.

The Hon. PETER PRIMROSE: I now refer to your consultant, Mr Turrisi, who Gazcorp has employed. Do you find his advice sound?

Mr GAZAL SNR: No, we did not find his advice sound because we asked the council and the council said, through Frank Mosca, and they said we do not need.

The Hon. PETER PRIMROSE: So did you take any notice of what he said?

Mr GAZAL SNR: Not really.

The Hon. PETER PRIMROSE: His advice was one of many advices that you got?

Mr GAZAL SNR: We had three advices and they are all different.

The Hon. PETER PRIMROSE: Last week we heard Mr Turrisi say that he was employed by you to provide advice on whether individual tenancies required development consent, is that true?

Mr GAZAL SNR: True. This is what the question was put to him.

The Hon. PETER PRIMROSE: Did you receive advice from him that said, inter alia, "Individual uses require development consent" for the LEP in question?

Mr GAZAL SNR: Yes, he said so.

The Hon. PETER PRIMROSE: And did you or your agent pass that advice on to all your tenants?

Mr GAZAL SNR: No. We told the tenant, "You have the choice". We had two advices, three advices from our planner. He said it does not need because the building is one building, one electricity meter, one air-conditioning, and it is all common. The council did not want to have. He said we do not need DA for individual shop, we only need a DA for shops which have food and which has food-processing equipment which sell food, and everyone who sell food from coffee shop to sandwich shop to restaurant, they have to get their own DA from the council. But individual tenants they did not require the DA. But we told the tenant, "It is up to you, you can have a DA or not have a DA", and the council required no DA for the other tenant, only for the food shops.

The Hon. PETER PRIMROSE: Can you tell us, Mr Gazal Jnr, where in the approved DA it mentions a shopping centre?

Mr GAZAL JNR: It mentions a warehouse clearance outlet in the approved DA. That was the definition that was going to go in the LEP. That did not happen thanks to some people.

Mr GAZAL SNR: We never said it is a shopping centre, it is a warehouse clearance outlet; it is a factory outlet. Just to teach you a little bit about it: there is no bank, no convenience store, no supermarket, no newsagency, no barbershop.

Mr GAZAL JNR: It is not a shopping centre.

Mr GAZAL SNR: It is not a shopping centre. It is basically a warehouse clearance outlet. That is all what it is.

The Hon. JAN BURNSWOODS: Mr Gazal Snr, when we were at the outlet centre last week one of the tenants spoke to myself and Ms Griffin about a man called Geoff Egan, and he made some criticisms of Mr Egan. I gather that you employed Mr Egan and Mr David Elliott to do media relations?

Mr GAZAL SNR: Yes. They have a media company called Flagship Communications. I employed them to help me fighting the 12 people, the task force that Mr Carr put against us, and they could not find anything, digging dirt everywhere.

The Hon. JAN BURNSWOODS: Do you know whether on your behalf or on their own decision these people have been in touch with staff members of Mr Brogden?

Mr GAZAL SNR: They are doing their work. I do not know if on their behalf. Not on my behalf. I never instructed them to talk to anybody.

The Hon. JAN BURNSWOODS: Have you asked them to talk to Mr Brogden or his staff?

Mr GAZAL SNR: No. I asked them to do whatever necessary to fight the propaganda machine of the Premier because he has been lying all the way.

The Hon. JAN BURNSWOODS: But you are aware that these people are former Liberal Party staffers?

Mr GAZAL SNR: I became aware later, yes. I was not aware when I employed them. I employed them as publicists. We needed somebody to fight for us because it was unjust what they have done to us.

The Hon. JAN BURNSWOODS: That certainly was not the impression being conveyed by one of the tenants.

Mr GAZAL SNR: Well, what is it? Can you give me the name of the tenant and what he said?

Mr BARGSHOON: She is just making it up.

The Hon. JAN BURNSWOODS: I do not know.

Mr GAZAL SNR: Aren't you making this up?

Mr GAZAL JNR: You did not talk to anyone at the centre, you were running and hiding. I do not know how you spoke to a tenant, you did not speak to anyone. It is on TV.

Mr GAZAL SNR: We can get you the tape to show that you never spoke to anybody in the tenant. You spoke outside, you were hiding.

Mr BARGSHOON: They were telling you off.

Mr GAZAL SNR: If you really know, tell us the name of the person and what he said and we will answer you. I will get Geoff here to come and talk to you.

The Hon. PETER PRIMROSE: You do not even know about the leases that you have negotiated. Your son does not know anything about the leases.

Mr GAZAL SNR: No, because you are asking him legal questions. The legal questions are answered by a lawyer. We are not lawyers.

The Hon. PETER PRIMROSE: You have told us in evidence that he negotiated the leases and now he does not even know the relevant sections of the Retail Tenancy Act.

Mr GAZAL JNR: Because that is negotiated by lawyers. I am not a lawyer.

The Hon. PETER PRIMROSE: What do you do?

Mr GAZAL JNR: I negotiate terms.

The Hon. PETER PRIMROSE: But you do not even know when stamp duty is charged on these.

Mr GAZAL JNR: You do not even know when stamp duty get paid, mate, and you work for the place that pays you—

The Hon. PETER PRIMROSE: You do not even know when stamp duty gets charged and you are negotiating the leases. No wonder the tenants are up in arms against you.

The Hon. JAN BURNSWOODS: It is a pity that *Hansard* cannot record the number of times on which Mr Gazal Snr puts his arm on Mr Gazal Jnr's to make him stop abusing members. Sometimes I wish we had a visual record as well as an oral one.

The Hon. JOHN RYAN: Point of order: That is a phenomenal imputation. Imputations are disorderly and the imputation made by my colleague that a father placing his hand on his son's arm to communicate something is somehow improper I find unbelievably offensive and I would ask the member to withdraw it.

The Hon. PETER PRIMROSE: What does it mean?

The Hon. JOHN RYAN: Sometimes it might mean that he is concerned for him. I do that to my son occasionally.

The Hon. PETER PRIMROSE: Your son is not out negotiating leases with tenants.

The Hon. JOHN RYAN: It is fairly obvious that his son might be a bit distressed and I do not see there is anything wrong at all with a father placing his hand on his arm.

The Hon. PETER PRIMROSE: He does not know a darned thing about the leases he is supposed to be negotiating.

Mr GAZAL JNR: I did the negotiations of the terms. Can you listen to me and look me in the eye while I am talking to you so then—

The Hon. PETER PRIMROSE: You did not answer this a few minutes ago.

Mr GAZAL JNR: Listen to me, for the third time.

CHAIR: Jan Burnswood has one more question.

The Hon. JAN BURNSWOODS: I was going to make a comment on the point of order but if you are ignoring the point of order then my question is, when you hired Mr Egan and Mr Elliott were you aware of their links with the Liberal Party and was that a consideration in your choosing that company?

Mr GAZAL SNR: No I was not aware of their links.

The Hon. JAN BURNSWOODS: Can I ask perhaps Mr Gazal Jnr or perhaps Mr Mosca the same question?

Mr GAZAL SNR: I hired them. Mr Mosca did not know them. I introduced them to Mr Mosca. My son was in Lebanon; he came about seven days after. I introduced them to him. I employed them. It is my decision and I did not know they were connected to the Liberal Party.

The Hon. JAN BURNSWOODS: When did you become aware that they were connected to the Liberal Party?

Mr GAZAL SNR: When the Premier was saying my Liberal propaganda machine, I asked them and they said they worked for some of the members of Parliament as spin doctors, or I do not know what you call it, and they told me that the Premier had the task force of 12 spin doctors working on my case; it already cost the taxpayers money, about \$1.9 million.

CHAIR: Thank you, we will wrap it there. I would like to thank all four of you for being here this afternoon. I declare this latest public hearing closed.

(The witnesses withdrew)

(The Committee adjourned at 6.15 p.m.)