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TRANSCRIPT OF AFTERNOON PROCEEDINGS

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INDEPENDENT BROAD-BASED ANTI-CORRUPTION COMMISSION

MELBOURNE

THURSDAY, 28 NOVEMBER 2019

(8th day of examinations)

BEFORE THE HONOURABLE ROBERT REDLICH QC

Counsel Assisting: Mr Michael Tovey QC  
Ms Amber Harris

OPERATION SANDON INVESTIGATION

PUBLIC EXAMINATIONS PURSUANT TO PART 6 OF THE INDEPENDENT BROAD-BASED ANTI-CORRUPTION COMMISSION ACT 2011

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*Every effort is made to ensure the accuracy of transcripts. Any inaccuracies will be corrected as soon as possible.*

1 UPON RESUMING AT 2.06 PM:

2 <LORRAINE JOAN WREFORD, recalled:

3 COMMISSIONER: Yes, Mr Tovey.

4 MR TOVEY: Thank you, Mr Commissioner. Could we please go to  
5 17 October 2018, tab 115. This is a call between Sam Aziz  
6 and Lorraine Wreford at 10.13 on 17 October of 2018.

7 (Audio recording played to the Commission.)

8 MR TOVEY: All right. So that was you telling Mr Aziz, was it  
9 not, that if Gary Rowe got in as mayor he wouldn't get  
10 paid anymore; everything's off the table?---I believe  
11 I was repeating a conversation that Mr Woodman had relayed  
12 to me.

13 Let's just go to the first step. What you were there telling  
14 him was that if - that either Stapledon or Ablett had to  
15 get voted in as mayor, and if Rowe got in everything was  
16 off the table, which meant all payments would stop; that's  
17 the truth, isn't it?---I think so.

18 COMMISSIONER: You do appreciate the significance of  
19 acknowledging that, don't you?---Well, I'm not  
20 100 per cent sure, but I think that's potentially what it  
21 was about. I remember the conversation about the mayoral  
22 vote. I don't remember the rest of it.

23 No, but - - -?---And I don't know what the cash is about.

24 But if everything's off the table, meaning whatever  
25 relationship existed between Woodman and Aziz is off the  
26 table, if - - -?---That is what - - -

27 If the person that John Woodman wants elected mayor, if one of  
28 those two persons isn't elected - - -?---I don't think it  
29 was just those two. I think Mr Woodman conveyed to me

1           that under no circumstances did he want - not that it's  
2           his vote, but no circumstances did he want Gary Rowe. And  
3           so I'm conveying the conversation I had with Mr Woodman to  
4           Mr Aziz.

5 But - sorry, I'm just trying to get to the point that for it to  
6           be capable of being off the table - - -?---Yes.

7 Meant there were no legitimate arrangements that  
8           couldn't - that he didn't have a discretion to  
9           abandon?---True.

10 The fact that he's saying, "This will stop" - - -?---So I think  
11           leading up to that Mr Aziz had been incredibly demanding.  
12           I think I said to you before he wanted - he wanted money  
13           in whichever way he could get it, and, as I've said to you  
14           before, I just felt like I'm in the middle of these two  
15           people and they want - they both want outcomes, they both  
16           wanted slightly different outcomes.

17 Yes, Mr Tovey?---Yes.

18 MR TOVEY: And it would appear from that conversation, would it  
19           not, that Mr Aziz was keen not to offend the blood donor  
20           by voting in a way which the blood donor did not approve  
21           of?---Correct.

22 And then you say, "I'll get back to you about that," that being  
23           the blood donor's feeling about the way the vote should go  
24           and about the cash, "All good but we will work out a  
25           deal." What was it about the cash that was going  
26           on?---That's what I'm not sure about. Like I said, all  
27           I remember from that period of time was that Councillor  
28           Aziz wanted money, and I don't think he cared how he got  
29           the money. He wanted money.

1 And was it ultimately decided that the best way to get money to  
2 him was the consultancy agreement which involved payments  
3 from the end of that year?---I believe so. But prior to  
4 this I had already asked Mr or Councillor Aziz to declare  
5 a conflict of interest.

6 You were well aware that he was hugely in conflict in respect  
7 of Mr Woodman's matters?---I was aware, certainly during  
8 2018, and I had brought up the matter with him a number of  
9 times.

10 But you weren't - - - ?---And he had explicitly told me how he  
11 was going to declare his conflict of interest.

12 COMMISSIONER: So you must have been aware from 2016 or 2017 -  
13 - -?---Yes.

14 When the suitcase event occurred?---When the suitcase happened  
15 and that episode happened I thought that was - and  
16 I've explained this before, I thought it was just a  
17 repayment of the money that Mr Aziz had given Mr Woodman.

18 But whether or not that was just money being deposited with  
19 Mr Woodman - - -?---Sure.

20 Which Mr Woodman was minding for him whilst he sorted out his  
21 divorce situation - - -?---Sure.

22 Or whether it was a formal loan agreement in which Mr Aziz was  
23 to be paid some interest - - -?---Yes.

24 Whatever the arrangement, it created a conflict which had to be  
25 declared, and all I'm suggesting to you is therefore you  
26 knew from that time that Mr Aziz continued to support  
27 motions that favoured Mr Woodman without declaring that  
28 conflict?---The onus, unfortunately, is on the councillor  
29 to declare the conflict of interest, and I had certainly

1 raised it with him.

2 Both you and Mr Woodman were aware that Mr Aziz continued to  
3 vote in council in support of his interests?---Yes,  
4 I agree.

5 MR TOVEY: Was it the fact that by the time that you started  
6 conveying the \$2,000 cash each month you were aware that  
7 that money was totally - at least the 2,000 component was  
8 totally corrupt; it was a pay-off?---I believed the 2,000  
9 was part of the \$25,000 of the agreement, and I still to  
10 this day don't know why there was a cash component, and at  
11 that point in time I believed Councillor Aziz had declared  
12 a conflict of interest.

13 So are you saying that at the time you were paying over the  
14 2,000 you didn't see that as being "the other  
15 thing"?---No, I didn't. Sorry, I'm not quite sure what  
16 you are referring to, but, no, I didn't.

17 COMMISSIONER: "You know what" I think you mean, do you,  
18 Mr Tovey?

19 MR TOVEY: Yes. The "you know what", sorry?---No, I'm sorry.  
20 Are you serious?---I didn't - I honestly thought that was part  
21 of the 25,000, and I couldn't work out why there was a  
22 cash component. It made no sense to me.

23 Because the 25,000, as you have told us, from your perspective  
24 was simply a device to get 600 grand - sorry, to get  
25 600,000 to Mr Aziz?---In hindsight, yes, but at the time  
26 my conversations with Mr Woodman was that Mr Woodman  
27 wanted the services of Councillor Aziz on the project he  
28 was working on, and that was always the conversations.  
29 But, you know, when you look at all the evidence and when

1           you put everything together as you have it doesn't look  
2           right, 100 per cent.

3   But you are an intelligent woman and you have told us that from  
4           the moment he started talking about something - about  
5           wanting something in respect - in excess of half a  
6           million, you were alerted to the fact that the  
7           relationship was corrupt?---I was certainly alerted that  
8           something was not right.

9   Corrupt? I think we went through this yesterday?---Yes, we  
10          did.

11   Wasn't it the case that - - -?---Yes.

12   The moment you heard that you concluded that there was no other  
13          explanation other than corruption; true?---It certainly  
14          looked like that, yes.

15   And I'd suggest to you that must have been the framework in  
16          which you viewed every payment that was made  
17          thereafter?---In actual fact, before that happened, and  
18          I am sure in late - some time - I had a number of  
19          conversations in 2018 with Councillor Aziz and he assured  
20          me in great detail that he was going to declare a conflict  
21          of interest. I actually - - -

22   I'm not talking about a conflict of interest?---Oh, okay.

23   I'm talking about the payments. Once you realised that there  
24          was a corrupt relationship you must have come to the  
25          conclusion that there was a strong probability that every  
26          payment thereafter between Woodman and Aziz was  
27          corrupt?---And I think my understanding - - -

28   You agree with that?---My understanding - - -

29   No, do you agree with that; yes or no?---Yes. But my

1 understanding was that - I guess to legitimise it is that  
2 if you declare a conflict of interest and don't vote on  
3 anything further - well, that was my understanding.

4 COMMISSIONER: We are going to have to disabuse councillors in  
5 the future that waving the magic wand of a conflict of  
6 interest is not necessarily going to wipe away a corrupt  
7 arrangement?---I think that would - yes, I agree.

8 MR TOVEY: Was there a register of lobbyists at State  
9 level?---Well, on advice of my lawyers I found out since  
10 this has started that that is the case, but before that my  
11 understanding was I thought there was only a Federal  
12 register.

13 And when were you advised that there was a State  
14 register?---I was advised only a few weeks ago when  
15 my - at the start of this when I engaged a lawyer and they  
16 had a discussion with me about it, and I was very  
17 surprised. I didn't realise. I should have known, but  
18 I didn't realise there was a State register.

19 I don't want to know about any discussions you had with your  
20 lawyers - - -?---Oh, sorry.

21 But, in any event, before that had you asked anybody whether  
22 there was a State register or - - -?---No, no.

23 Had you asked anybody whether there had been a State  
24 register?---I hadn't. I knew there was a Federal register  
25 and I had registered on the Federal register. I think it  
26 was at the beginning of 2016 or the end of 2015. And at  
27 no stage - I thought that that covered Federal and State.  
28 Was the State register not set up at a time whilst you were in  
29 fact a member of parliament?---It might have been, but

1 I cannot remember that happening.

2 No further questions, Mr Commissioner.

3 COMMISSIONER: Yes, thank you, Mr Tovey. All right. What's  
4 your preferred course, Mr Casement?

5 MR CASEMENT: My preferred course is the same as Mr Juebner,  
6 who was before me, your Honour, and that is to not ask any  
7 questions of Ms Wreford at this time but to reserve my  
8 rights after the evidence is in.

9 COMMISSIONER: Very good. In the event in relation to later  
10 witnesses that you or any other counsel desire to  
11 cross-examine, someone will have to be present to indicate  
12 that and I will then rule on it at the time.

13 MR CASEMENT: Yes, indeed. Thank you.

14 COMMISSIONER: Thank you. So, Ms Wreford, that concludes your  
15 evidence. Because the inquiry is ongoing and we have  
16 quite a few witnesses to still hear from, and I doubt very  
17 much we'll complete all those witnesses before this  
18 three-week tranche of hearings is completed, it may be  
19 that you'll have to be recalled in the New Year. I hope  
20 that won't be the case. So I can't finally discharge you  
21 from the summons, but you are presently excused, and the  
22 order that I have made in relation to witnesses not being  
23 in court while other evidence is called continues to apply  
24 in the sense that you are not at liberty to discuss with  
25 other witnesses the evidence that you have given. Do you  
26 follow?---Yes. I do follow.

27 Very good. So I excuse you for the present. Thank you very  
28 much for your attendance?---Thank you.

29 I'm sorry, Ms Wreford, and I should have said to you by way of

1 completion that if you want to look at your transcript or  
2 any exhibit you are welcome to do so. You just need to  
3 get in touch with IBAC and someone will make arrangements  
4 for you to have access to your evidence or your video,  
5 should you have a desire to revisit it.

6 <(THE WITNESS WITHDREW)

7 COMMISSIONER: The last document, 17 October 2018, the phone  
8 call will be marked exhibit 81.

9 #EXHIBIT 81 - Phone call of 17 October 2018.

10 COMMISSIONER: There is one addition to an exhibit earlier  
11 today. In relation to exhibit 65 I will mark A the budget  
12 campaign dated 15 September 2016, and exhibit 65B will be  
13 the Perfect Pamphlet Delivery invoice dated 10 October  
14 2016.

15 #EXHIBIT 65A - Budget campaign dated 15 September 2016.

16 #EXHIBIT 65B - Perfect Pamphlet Delivery invoice dated  
17 10 October 2016.

18 COMMISSIONER: Yes, Mr Tovey.

19 MR TOVEY: The next witness. I call Mr Ablett, thank you.

20 COMMISSIONER: Yes.

21 MR CASEMENT: Might I be excused?

22 COMMISSIONER: Yes, thank you.

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