



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

FINANCE AND PUBLIC ADMINISTRATION REFERENCES
COMMITTEE

Reference: Regional Partnerships Program

THURSDAY, 3 FEBRUARY 2005

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SENATE

FINANCE AND PUBLIC ADMINISTRATION REFERENCES COMMITTEE

Thursday, 3 February 2005

Members: Senator Forshaw (*Chair*), Senator Watson (*Deputy Chair*), Senators George Campbell, Heffernan, Moore and Ridgeway

Substitute members: Senator Carr for Senator George Campbell, Senator O'Brien for Senator Moore, Senator Murray for Senator Ridgeway, Senator Barnett for Senator Watson and Senator Johnston for Senator Heffernan

Participating members: Senators Abetz, Boswell, Brandis, Brown, Carr, Chapman, Colbeck, Conroy, Coonan, Crossin, Eggleston, Chris Evans, Faulkner, Ferguson, Ferris, Fifield, Harradine, Knowles, Ludwig, Lundy, Sandy Macdonald, Mackay, Mason, McGauran, McLucas, Murray, O'Brien, Payne, Robert Ray, Sherry, Stephens, Tchen, Tierney and Webber

Senators in attendance: Senators Barnett, Brown, Forshaw, Johnston, McGauran, Murray, O'Brien and Stephens

Terms of reference for the inquiry:

To inquire into and report on:

- (1) The administration of the Regional Partnerships program and the Sustainable Regions program, with particular reference to the process by which projects are proposed, considered and approved for funding, including:
 - (a) decisions to fund or not to fund particular projects;
 - (b) the recommendations of area consultative committees;
 - (c) the recommendations of departmental officers and recommendations from any other sources including from other agencies or other levels of government;
 - (d) the nature and extent of the respective roles of the administering department, minister and parliamentary secretary, other ministers and parliamentary secretaries, other senators or members and their advisers and staff in the process of selection of successful applications;
 - (e) the criteria used to take the decision to fund projects;
 - (f) the transparency and accountability of the process and outcomes;
 - (g) the mechanism for authorising the funding of projects;
 - (h) the constitutionality, legality and propriety of any practices whereby any members of either House of Parliament are excluded from committees, boards or other bodies involved in the consideration of proposed projects, or coerced or threatened in an effort to prevent them from freely communicating with their constituents; and
 - (i) whether the operation of the program is consistent with the Auditor-General's 'Better Practice Guide for the Administration of Grants', and is subject to sufficient independent audit.
- (2) With respect to the future administration of similar programs, any safeguards or guidelines which might be put in place to ensure proper accountability for the expenditure of public money, particularly the appropriate arrangements for independent audit of the funding of projects.
- (3) Any related matters.

WITNESSES

HALL, Mr Stephen Neville, Private capacity 81
TICKLE, Ms Helen Laurie, Private capacity 62
WINDSOR, Mr Antony Harold Curties (Tony), Federal Member for New England 2, 107

Committee met at 9.04 a.m.

CHAIR—Good morning, ladies and gentlemen. I declare open this second day of public hearings of the Senate Finance and Public Administration References Committee. We are continuing the inquiry into the administration of the Regional Partnerships program and the Sustainable Regions Program. Since yesterday's hearing the committee has agreed to publish a number of submissions that have been forwarded to the inquiry. Copies of those are available from the secretariat and are also available on the committee's web site.

We will commence today's hearing with Mr Windsor, followed by two other witnesses, Mr Stephen Hall and Ms Helen Tickle. I am advised that at the moment, due to prevailing weather conditions, there will be possible delays in Mr Hall and Ms Tickle arriving, but I am sure they will get here at some stage during the morning. We will then continue with evidence from officers of the Department of Transport and Regional Services. We may have to vary the program subsequently, depending upon availability of those other witnesses.

Evidence to the committee is protected by parliamentary privilege. This means that witnesses are given broad protection from action arising from what they say and that the Senate has the power to protect them from any action which disadvantages them on account of the evidence given before the committee. I also, of course, reiterate that the giving of false or misleading evidence to the committee may constitute a contempt of the Senate. We prefer to conduct our hearings in public. However, if there are any matters which a witness wishes to discuss with the committee in private at any stage, we will consider such a request.

[9.06 a.m.]

WINDSOR, Mr Antony Harold Curties (Tony), Federal Member for New England

CHAIR—Welcome.

Senator BARNETT—Mr Chairman, I have a motion to put before the committee. I move:

That Mr Windsor and the following two witnesses give their evidence under oath or by affirmation.

CHAIR—I was not made aware that this motion would be moved.

Senator CARR—I think we should have a private meeting.

CHAIR—I think we should. I will adjourn this public hearing for us to consider that. I will say on the record that it would have been appropriate as a matter of courtesy for committee members to have been advised that this motion would be moved. I should also say that it is not the practice of this committee or of other committees that I am aware of to require witnesses to give evidence on oath or affirmation. That is not to say that it cannot be done.

Senator BARNETT—That is incorrect, Mr Chairman.

CHAIR—It is not the normal practice, but we will discuss this further in a private meeting.

Proceedings suspended from 9.07 a.m. to 9.36 a.m.

CHAIR—I declare this meeting of the committee reopened. The committee has just met in private to consider the issue raised earlier by Senator Barnett. He attempted to move during the public proceedings that Mr Windsor and the next two witnesses be required to give evidence under oath or affirmation. As I pointed out earlier, I am concerned, and I know other members of the committee are concerned, that that issue was not brought to the attention of the committee before the proceedings commenced, because it was a matter that could and should have been addressed by the committee in private session rather than being sprung on the committee and witnesses in the way it was. Nevertheless, the committee adjourned and has considered the motion. The committee has decided that all witnesses to this inquiry should now be required to give evidence by oath or affirmation. I should say that that has been done because, if we are going to require one witness to do that, it should be applicable to all witnesses.

I should also reiterate that, as I said in my opening remarks—and this is said at the start of all inquiry proceedings and all witnesses are advised of it—all evidence given to Senate committee inquiries is privileged. That means that it cannot be used against any such person to their detriment. Equally, as I pointed out, and as is always pointed out, any evidence that is given to a Senate committee which is found to be false or deliberately misleading, whether it is given under oath or affirmation or not, may well be a contempt of the Senate, and such witnesses can be dealt with according to the powers of the Senate. So, to a large extent, requiring a witness to give

evidence under oath or affirmation makes no difference whatsoever to the status of their evidence before the Senate.

That is the case, and that is why committees do not normally require evidence to be given under oath or affirmation. There are exceptions to that rule, and they are for such committees as the Privileges Committee, the Joint Standing Committee on Public Works and the Joint Committee of Public Accounts and Audit, for instance, where there are statutory requirements for evidence to be given under oath or affirmation. So, with those remarks, I now require Mr Windsor to be sworn in or to take the affirmation. Do you wish to take the oath or an affirmation?

Mr Windsor—I will take the oath.

CHAIR—Would one of the members of the committee please attend to Mr Windsor to administer the oath. Mr Windsor, you have presented a submission which has been made public. Are there any additions or alterations that you wish to make to that submission?

Mr Windsor—No, not at this stage.

CHAIR—If you would now like to make an opening statement and we will proceed to questions.

Mr Windsor—Firstly, I thank the Senate for making this committee possible because I think it is going to be a very worthwhile inquiry on a number of levels. My submission looks at probably four issues: some that relate to the Regional Partnerships program and another that relates to allegations that I raised in the parliament last year. In many ways, the Regional Partnerships program, through the funding of the equine centre and the political preconditions that were applied to me as a member, relates the two issues very closely together. There are a number of other issues, particularly relating to the conduct of a senator, Senator Sandy Macdonald, in relation to the political pressures that were applied to a local government authority—it is mentioned in the submission and no doubt some of the senators will raise that issue as the morning progresses.

My main arguments in relation to Regional Partnerships are not in terms of the department—I sat in and listened to the department yesterday and I think there are some holes in a number of things that they were saying—but I would have to put on record that my relationship with the department and the area consultative committee for that matter has been a positive one. I am not saying that there is no politics in the area consultative committee—there is politics everywhere—but that it has been a positive relationship.

The purpose for me wanting to appear and being so pleased that this committee has been put together is to allow people—and I am told that there will be two other witnesses following me this morning—in the appropriate forum to put forward their views in relation to occurrences that happened last year in terms of a meeting on 19 May with one Mr Greg Maguire. So that the committee members are aware of the circumstances that led to that meeting becoming public, I think it might be worth while if I just spend a few minutes working through the process.

On 16 May—I think it was 16 May; I have not got that here—I did an interview by phone with a journalist from the *Sunday Telegraph* called Tony Vermeer. I happened to be at Tenterfield at the time. It was during the election campaign. I have to get the sequence of events right: it was 16 September that I spoke with Tony Vermeer. The election campaign was on. I had had a meeting with Tenterfield shire and I walked out of the building and the phone rang. Tony Vermeer was on the phone. He was wanting to do a story on the possibility of a hung parliament and he wanted to talk about the various things that may or may not have been offered to me as an Independent in that possible parliament.

One of the first questions he asked was, ‘Have you been offered the Speaker’s job?’ or ‘Would you accept it if it was offered to you?’ I said, ‘No, I haven’t been, and I wouldn’t accept it anyway. I think it would negate the capacity to do your work.’ Then the discussion became a bit more wide-ranging, because I had been in a hung parliament in New South Wales in 1991 when Nick Greiner was the Premier. I had four years in a hung parliament—in fact, it was my vote that elected the Liberal-National Party government in 1991—so I have had some experience with a hung parliament. We started talking about what that was like, what the offers were back then. In that context I raised a number of issues where I had been offered on different occasions deals to become a member of a party, deals to progress to becoming a minister and things like that through that period of time.

Then I relayed some other things to them. I think it was the 1998 election when Stuart St Clair, my predecessor, was elected to this place. One senator, Bill Heffernan, travelled to Tamworth to see me on two occasions with a view to making a request: would I consider standing as a Liberal for the seat of New England? I rejected that issue quite strongly. On both occasions, Senator Heffernan—I have known Bill for many years—said the boss wanted me to consider standing. *Hansard*, I notice, has ‘bosses’, but the term was actually ‘the boss’. He said the boss wanted me to consider standing as a Liberal for the federal seat, and I rejected that on two occasions.

There have been other offers made to me over the years; there have been a number. One that I did not discuss with Tony Vermeer but which I will raise here today was that in 1999—

Senator BARNETT—Can I just ask the witness: are you going to give dates and evidence to back up your claims regarding the meetings with Senator Heffernan?

Mr Windsor—I have not got the dates of Senator Heffernan’s meetings in front of me, no.

Senator BARNETT—So it is just based on your recollection.

Senator CARR—On a point of order, Chair: it is customary practice in this place to allow a witness to give an opening statement uninterrupted. I would urge you, Chair, to bring the committee to order and allow this witness to give his opening statement. The senator and all senators will be given an opportunity to question the witness later on.

Senator McGAURAN—On Senator Carr’s point of order: that may be the case, but the witness is being utterly irrelevant at this point. Discussions with Senator Heffernan have absolutely no link to this matter at all. At least draw the witness back to the point of the committee.

CHAIR—I have been listening to Mr Windsor and I was giving him the courtesy and the latitude to put his opening statement uninterrupted. There is no point of order, but I do draw to your attention, Mr Windsor—whilst I understand what you are putting to us is sort of background in the nature of what has happened—that I think we do need to get to the particular nature of your evidence regarding the terms of reference for this inquiry.

Mr Windsor—I am quite comfortable with that, Chair. It sets a context for the very important thing that I am about to say. In relation to that discussion, I said to Tony Vermeer that recently, some months ago, I had been approached by an intermediary on behalf of two political players to vacate the premises as the member for New England. I mentioned it in that context—no names.

Tony Vermeer wrote his article the following Sunday for the *Sunday Telegraph*—I think it was 19 September—and it was mainly based on what if there were a hung parliament. I do not have the article with me today, but I am sure the committee would have it. There were about three lines relating to the offer to me by an intermediary on behalf of two political players—no names. I was then asked by press that afternoon, to go to air on the Monday, whether it was true that I had been approached by an intermediary on behalf of two political players and offered an inducement. I said I had been, which was true. When I was asked to name who the people were, I said that I did not intend to do that and that I saw it at the time as an act of stupidity and desperation to regain the seat—words to that effect—and left it at that.

The next day, Monday, I attended a funeral in Dubbo of a friend of mine, the late Tony McGrane. On the way back from Dubbo I started to receive calls from the press about the three lines that had appeared in the newspaper about being approached by an intermediary on behalf of two political players. Some of the press had assumed that they were government members. I do not think at that stage that I had mentioned they were political players. A couple of members of the press said that Nicola Roxon, I think it was, had had a doorstep down here and had referred the allegation—my allegation that I had been approached by an intermediary—to the Australian Electoral Commission. One of the media said to me, ‘Do you realise that if there is a reference to the Australian Electoral Commission they may well refer that on to the Australian Federal Police, in which case you could be interviewed?’ Questions started to flow as to ‘would you name the names?’ Prior to that I had said that I was not going to name the names, because I saw it in the context of the other offers that had been made over the years, and I saw it as a bit of political desperation—an attempt that had failed. So it was in that context that I explained the situation.

I then made the point, I think that day and the following day—or that night—that if I were requested by law to name the names, I would, and that is exactly what I have done. I bring that context to the committee—and I am being quite honest here—because if it had not been referred by the Labor Party to the Electoral Commission, I would never have referred it myself. I had no idea that it was actually a breach or a potential breach of anything, and I am sure that Mr Maguire did not either. I do not know whether the other players were in tune with what was a breach or not a breach. Was the approach by Bill Heffernan for me to vacate my state seat a breach of something? I do not know. I did not run off and complain that he was trying to induce me to leave the state parliament to come to Canberra. So it was in that context.

Some people have suggested—and I have no doubt that some members of the committee today will suggest—that this is some sort of witch-hunt for John Anderson and others. It is not at

all. It is a search for the truth about what happened at that particular meeting, and I think there will be other witnesses here today who will be giving evidence in relation to that event. That does not mean that I expect heads to roll or people to face penalties. What I am suggesting is that the truth needs to be told in relation to that meeting and the recall that people have of that meeting.

The meeting with Mr Maguire was on 19 May. It became public that two political players had approached him to offer me an inducement on Monday, the 20th, after the article had appeared on Sunday, 19 September. On that particular day, too—I think 20 September—the Prime Minister called upon me to name the names, which I declined to do at that stage. The names did not become public until two months later—on 17 November, when I stood in the parliament and named the names. That is quite important, because there are a number of issues, one relating to the Grace Munro Centre, where Senator Macdonald mixed his dates in terms of why he was distressed. He said in two press articles that he was for leaving me out of the official party and removing my name from a plaque on a building that I had had a considerable amount to do with. I am not one of those who need their name on plaques, but he made the point that he was under a lot of stress at the time, that Mr Windsor had defamed him in the parliament and that it could be understood why that action would be carried out. The statutory declaration from the Uralla Shire Council's general manager needs to be looked at in relation to that as well—the actual bullying that took place of a local government officer. Senator Macdonald at that time said he was terribly upset because I had defamed him in parliament. I named him in parliament on 17 November. He had sent an email to the Uralla Shire Council, asking that my name be deleted from a plaque—on the 10th, a week before he was named—but he has admitted in the press that he was upset because of what I did a week later. There are a number of those threads that you might like to question me on.

CHAIR—For the *Hansard* record—and I am sure everybody here knows—you are referring to Senator Sandy Macdonald. There are two Senator Macdonalds.

Mr Windsor—I do apologise. There are a couple of other things that I would like to talk about in terms of the Maguire meeting, and I am sure there will be a number of questions relating to that meeting. The meeting is covered in *Hansard*. That is how I recall the meeting. The conversation regarding the offer of inducement was mainly directed at me. There were two others in the room who were listening. We were talking about the equine centre, which was being discussed under Regional Partnerships as well, and I was very much involved in that process and very keen to see it progress.

Essentially, what Mr Maguire was asked to do was to deliver some messages to me. One was that the minister, John Anderson, at that time was quite distressed that I was still involved with the process of the development of the equine centre. He wanted to make the point through Mr Maguire, who was chairman of the board at that time, that he believed that, because of my political position, I should not be too involved with the funding application and the process. That was message No. 1. Message No. 2 was the inducement offer, which has been fairly well publicised and is in the submission and in *Hansard*.

Message No. 3 was: 'John Anderson says you won't talk to him.' Greg Maguire asked that I meet with John Anderson in Canberra and talk to him. John Anderson, at that particular time, was running this agenda that because I was an Independent I had no contact with anybody and I

would not talk to him. A number of people in the community had raised the same issue, including the mayor. The mayor had said that he had been to a meeting with John Anderson, who had said, 'He won't talk to me.' You can see in *Hansard* that I actually covered that in a personal explanation one day when the minister, John Anderson, after a question from the Leader of the Opposition about that meeting, misrepresented what was said. If you want to follow that up with questions and answers I am quite happy to do that but it is covered in the submission. So there were essentially those three messages that Mr Maguire was asked to deliver. Thank you for allowing me to make those rather lengthy introductory remarks. We might get on with the questions.

Senator CARR—In your submission to us, you have contradicted the position that has been put publicly that Mr Anderson was essentially a casual bystander watching these events unfold and had no knowledge of the involvement. You have suggested that Mr Maguire advised you and others participating at that meeting that Mr Maguire was in fact prepared to lie about the nature of the relationship between him and the Deputy Prime Minister. On what basis do you make that suggestion?

Mr Windsor—Greg Maguire made that statement on a number of occasions. Pre-empting the next person to address the committee, it was made on a number of occasions. On 23 September, Stephen Hall and I met with Greg Maguire at Greg's office, where he repeated what he had said to Stephen Hall on a previous occasion and to me on another occasion; that is, that he would not bring the Deputy Prime Minister down—he was quite distressed—that he would protect the equine centre funding and that he would in fact lie if approached by the Federal Police. I will not speak on behalf of Stephen Hall, who will be speaking later. He will make his own suggestions in relation to that.

That is the major reason why, when the Federal Police found in their determination that there was not a prima facie case to proceed with, we were not surprised by the outcome. I am not a lawyer, and there are probably lawyers in this room who can assist, but if you have people saying different things in a room it is very hard to establish that prima facie case. I am not trying to re-establish that case. I am here today to suggest to you that this is what actually happened in that room. We knew that Greg was going to lie before the police went near him. So it was not a surprise to us that he did not confirm the series of events that I have identified. It was based on those circumstances, Senator Carr.

Senator CARR—I am interested to pursue this question, Mr Windsor. You say you knew that he was going to lie. How did you know?

Mr Windsor—Because he told us.

Senator CARR—In what terms did you tell you?

Mr Windsor—In those terms, in the company of Stephen Hall. He had told Stephen Hall personally and he had told me as well, in those terms, that he would not bring the Deputy Prime Minister down. Therefore, to do that he would have to lie if approached by the police.

Senator CARR—By the police?

Mr Windsor—On Thursday the 23rd, the reference from the AEC to the Federal Police had occurred, so we were all aware that we were going to be approached by the Federal Police.

Senator CARR—This event occurred in your hearing on one occasion, or were there other occasions that you are aware of when these statements were made?

Mr Windsor—On two occasions. The second occasion was in the company of Stephen Hall, but I was also relayed a message from Stephen that Greg had raised that issue with him as well.

Senator CARR—So to your knowledge this information was conveyed to you on three occasions?

Mr Windsor—Yes.

Senator CARR—Two directly, and one by way of message.

Mr Windsor—Yes.

Senator CARR—Thank you. In the House of Representatives, there was an occasion when you indicated that there had been a previous discussion with the Deputy Prime Minister. There had been a conversation which had not been disclosed and that went to events of the previous year. Are you able at this point now to commit to advise the committee as to the nature of the conversation that occurred and that was referred to by yourself in the chamber last year when you made your personal explanation?

Mr Windsor—It was my answer to the misrepresentation.

Senator CARR—You indicated that there was some discussion last year as to whether or not you were speaking to the Deputy Prime Minister. On at least one occasion before your statements to the House representing giving your version of events, you did speak to the Deputy Prime Minister. Can you indicate to the committee what the terms of that discussion were?

Mr Windsor—This could take a couple of minutes, Senator Carr, so bear with me, just so the context is right. On 18 November, the day after I had named the names, the Leader of the Opposition asked a question. Have the members got it in front of them, or would you like me to go through it? He said:

My question is to the Deputy Prime Minister and Acting Minister for Trade. Does the Deputy Prime Minister recall speaking to the member for New England in this chamber at the end of question time in the sitting fortnight following 19 May?

The 19th of May was the Greg Maguire meeting.

Did the Deputy Prime Minister mention to the member for New England his contact and conversations with Mr Greg Maguire? How is this consistent with the Deputy Prime Minister's claim yesterday in the House that he knew nothing about this matter, including inducements of trade and diplomatic jobs, until it became public in the election campaign in September?

Mr Anderson said:

Again, I thank the honourable member for his question. Yes, I was walking out of this place—I think it was probably during June on one of those 24 occasions when the House sat after this alleged bribery attempt was made, during which the member for New England, of course if he had been so concerned about these matters, could have raised them under parliamentary privilege—and on the way out he motioned me over and said—

so this is me—

‘I understand you might want to talk to me.’

Which was the message that was given to Greg Maguire and to the mayor of Tamworth and to other people—that John Anderson wanted to talk to me. I thought it was probably about the equine centre but it may well have been about this other business.

... ‘I understand you might want to talk to me.’ I said—

that is, Mr Anderson—

‘No. What? I don’t know anything about it.’ I have no understanding whatsoever as to why he thought I might want to talk to him about it. I still don’t. I said to him: ‘No. If I want to talk to you at some point in the future, I’ll get in contact.’

It was after question time. I had moved to where Mr Katter normally sits and John sat in my seat. That was his version of that conversation.

I made a personal explanation on 29 November. It reads:

Mr WINDSOR (New England) (3.21 p.m.)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Does the honourable member claim to have been misrepresented?

Mr WINDSOR—Yes, I do.

The SPEAKER—Please proceed.

Then I preceded it by defending the member for Page actually, because there had been a photograph in the paper that was misconstrued. The member for Page was actually asking me about how Mr Katter’s health was, rather than being involved in some conspiracy. So I started with a brief mention of that:

In question time on 18 November 2004, in answer to a question from the Leader of the Opposition to the Deputy Prime Minister about comments made to me in a conversation with me in this House relating to his contact with Mr Greg Maguire, the Deputy Prime Minister misrepresented this conversation. He said:

Yes, I was walking out of this place—I think it was probably during June ... and on the way out he—

meaning me—

motioned me over and said, 'I understand you might want to talk to me.'

The Deputy Prime Minister's version of his response was:

'No. What? I don't know anything about it.' I have no understanding whatsoever as to why he thought I might want to talk to him about it. I still don't. I said to him: 'No. If I want to talk to you at some point in the future, I'll get in contact.'

Those are the words that the Deputy Prime Minister misrepresented in this House last week. This is a misrepresentation of that conversation.

The SPEAKER —Order! The honourable member has explained where he has been misrepresented.

Mr WINDSOR —No, I have not. My recollection of that conversation was that I said: 'John, I understand you want to talk to me. People are saying in Tamworth that you are saying I won't talk to you. I'm more than happy to talk to you at any time.' Mr Anderson then said, 'You mean my meeting with Mr Maguire,' to which I said, 'Not only Greg Maguire but others in the community.' This is a correct account of that conversation.

There are a number of issues that come up. What was Mr Anderson referring to when he said, 'I don't know anything about it'? This is when he had been under some degree of questioning, because I had named him in the parliament the day before. On two occasions he uses the word 'it'. I think that is something that needs to be pursued in terms of this committee.

Senator CARR—This is your opportunity to tell us what you consider him to be referring to, and that is why I have asked the question: were there additional matters not covered in your personal explanation that you want to bring to the attention of this committee?

Mr Windsor—I think the reference to 'it' was that during question time Mr Anderson's mind was engaged in trying to embrace what had actually happened in the Maguire meeting, and inadvertently, in terms of this question, his mind was still on 'it', even though I had not asked him about an 'it'. That is my interpretation of what was actually happening.

Senator CARR—I would like to turn to the role of patron senators that was canvassed yesterday at the hearing. We spoke yesterday of a grant of moneys to the University of New England for a maths and science project.

Senator JOHNSTON—Excuse me, Chair.

Senator CARR—Is there a point of order?

CHAIR—You will get your chance to ask questions, Senator Johnston. Carry on, Senator Carr.

Senator CARR—Mr Windsor, what is your knowledge of the work of the ACC in New England concerning that grant? What was your role, as the member for New England, in the decision to grant that \$5 million? What discussions did you have with the education minister about the provision of money for an educational project through another department?

Mr Windsor—My recollection of the funding arrangements for the maths and science centre, which is a very worthy project and I congratulate the minister for recognising that for regional people, is that the area consultative committee had very little, if anything, to do with the funding arrangements. I do not think we have any material on that. I think it was an issue that was put together by The Nationals themselves.

There is an issue of some political pressure being applied to some university staff, which I have raised in the submission, and some political patronage that had to be repaid by way of favourable advertorial. It was known in the New England area at the time as the ‘cash for comment’ arrangement. There was a two-page advertorial. One page was paid for by the National Party and had an ad for their candidate for the federal election in the bottom part of the page. The other page was paid for by the University of New England and the advertorial was written in Senator Sandy Macdonald’s office.

Having been—and I still am—a member of the University of New England council I was quite distressed about that, as were some others. Some very well-meaning staff of the university had been pressured to give favourable comment on this particular grant and had been advised not to mention the local member, even though I had had meetings with the proponents during what was called a ‘Vision New England’ summit that I organised. I was able to encourage 67 other community groups across the electorate to support the broad concept of the maths and science centre. But there was definitely pressure applied to those staff. The university council carried out an investigation, and there is some commentary in the submission in relation to that, and found that there had been a breach of protocol and that university staff were not to show any favouritism in the political arena. It was an example where pressure was applied to individuals for a political reward for the granting of a Regional Partnerships grant. Have I answered your question?

Senator McGAURAN—Did you say that they were pressured not to show any favouritism?

Mr Windsor—No, they were pressured to show favouritism.

Senator BARNETT—Who pressured them? On that very point, you said that they were pressured.

Mr Windsor—Senator Sandy Macdonald.

Senator BARNETT—How do you know that?

Mr Windsor—I have been told it by a number of people.

CHAIR—You are a member of the university council.

Mr Windsor—Yes.

Senator CARR—Was this discussed at the council meeting?

Mr Windsor—Yes.

Senator BARNETT—Can you give us some names to back up your allegation?

Mr Windsor—It was a confidential meeting of the council where this was raised.

Senator CARR—Chair, could we ask the witness if it is possible to give the committee a copy of the resolution of the council on this matter?

Mr Windsor—I think it is in the submission.

Senator CARR—Which page is that on?

Mr Windsor—It is a media release from the chancellor, John Cassidy. We are part of what he says and I think it assists. I will come back to your question. The media release says:

I have carried out that review and would like to report on my findings as follows:

(1) The advertisement was in no way meant to endorse ...

(2) A breach of University protocol was committed unintentionally, and procedures have been reinforced to ensure that the University's integrity and reputation for political neutrality is never compromised.

Senator Barnett, it may assist you if you read the press release by Senator Sandy Macdonald where he responds on 10 August to my allegations. He says:

My office was asked to provide editorial comment, which we did in good faith. Most of this information had been published before and was adapted from press releases ... There is nothing sinister here.

The investigation that the university carried out found that, unintentionally, pressure was applied to the university staff to—

Senator CARR—Can I just clarify that. Did the university's inquiry find that there had been an unintentional breach of the academic procedures and protocols, or was it the finding of the university that pressure had been applied as a condition of grant?

Mr Windsor—The chancellor's comments are in relation to an unintentional breach.

Senator CARR—But did the university council find that it was a condition of grant that political comment be made?

Mr Windsor—The vice-chancellor made a comment in an email she sent me. It is in the papers. She said:

... in talking to Graeme this morning I became aware of the advertisement you both objected to—

she sent this to me and Richard Torbay, the state member—

Prior to that I had only seen the story and the ad for UNE courses and the National Centre, and after they had been published.

I can understand that you are upset about this because it could be interpreted as if UNE, or at least those two senior staff of UNE, were endorsing a Nationals candidate. The University itself is politically completely neutral—we acknowledge funding from any government. Victor and John Pegg, in their enthusiasm for having attracted the funding for the Centre, clearly were politically naive, and I will speak to them.

I will also speak to Victor concerning the wording in his letter to the Editor, printed in the Armidale Express of yesterday.

We very much appreciate the commitment you have shown to the University of New England for a very long time now and hope you will continue with it.

Senator CARR—What is the document you are reading from?

Senator JOHNSTON—Are you reading from your submission?

Mr Windsor—It is an email in the submission.

Senator CARR—It is an attachment to the submission.

Mr Windsor—An attachment to the submission.

Senator CARR—We want to be clear about this. It would assist the committee because clearly there is some confusion up our end of the table, not yours. Did this event arise as a result of the advertisement which was placed in the local press, which endorsed the National Party, by senior members of the university involved with this particular project and the copy for that advertisement was supplied by Senator Sandy Macdonald?

Mr Windsor—Essentially, I am asking that the committee look at that process. I am not pretending to know everything that happened and who met whom, but it seems to me that in terms of the granting of the grant there were some political conditions applied to that grant and pressures applied to have favourable commentary made by the university in an advertorial that was promoting the National Party. The university paid for that part of the advertorial, which, as the chancellor said, was an unintentional breach—but the protocols have been addressed.

Senator CARR—I have been involved in education for a fair while. I was surprised to see the announcement of a grant for an education project in maths-science through this department and this particular program when the education department has an extensive program for the funding of maths-science projects. Have you discussed this matter with the minister for education?

Mr Windsor—I did raise it with the minister for education in a semiprivate environment, where I informed the minister for education that I was going to have something to say on the issue but that I was not going to be critical of him. He made the point at that time that The Nationals had not conferred with him in relation to that particular issue and that he knew very little about it, and he displayed some degree of disquiet over what was going on. I think a lot of people were a bit surprised about the way in which this was funded. If I am permitted—and this

may be out of order—I can tell you what I think was actually going on of a political nature at that particular time that led to this particular grant being embraced in the way it was through the Regional Partnerships program.

Senator CARR—I would be interested in that. I am particularly interested in the process whereby an application for \$5 million for a project which would normally be funded by another department and for which it appears the minister directly responsible knows little about can be received and within three days be approved. Please tell the committee what your opinion is of what occurred in regard to arrangements for the granting of that \$5 million.

CHAIR—I am conscious that all senators need to be given the opportunity to ask questions, so after this answer I will let other senators ask questions.

Senator MURRAY—Given we were delayed this morning, will we continue with Mr Windsor beyond the time set for him to conclude giving evidence? I want to be sure I will get a fair share.

CHAIR—You will. I intend to make sure of that.

Mr Windsor—Please feel free to pull me up on this if you think it is not relevant. I appreciate the time constraints.

Senator CARR—This is directly relevant to the terms of reference. It goes to the heart of the terms of reference. I have asked you to comment upon a particular project that you, as a member of the council of the university and as a local member, would be expected to have detailed knowledge of.

Mr Windsor—There is no doubt in my mind that, because I was an Independent member of this parliament, I was essentially sidelined in relation to the negotiations that took place even though I had been involved at the start. I am not suggesting that I should be given great credit for everything that happens in the electorate, but normally the local member would be involved in those sorts of things. I was conducting some polling of my own at the time, and I am sure that the National Party would have done some as well, and there were indicators—because there was a Liberal candidate standing in the seat as well—that the Liberals may well have beaten the National candidate.

So I think there was a need to have some National Party projects, rather than government projects, that were seen to be delivered by the National Party—because there was concern that not only was the seat held by an Independent but that, even worse than that, a Liberal may have got in front of them in the poll. So the language of the National Party changed quite considerably during that period of time from ‘being a member of the government and delivering projects’—and I think this gets to the heart of why the funding was coming from the Regional Partnerships program rather than the education area—to language that was very specifically about ‘The Nationals’ rather than ‘The Nationals and the Liberals’.

Senator BARNETT—Mr Chair, can I ask the witness to be far more specific with his allegations, which to date have been a little bit airy-fairy. Can you specifically advise the

committee where, in writing or verbally, the council were advised that they would not get the money unless they advertised accordingly? Can you be specific, Mr Windsor.

Mr Windsor—I am not suggesting that; I am suggesting that there is enough information here for this committee, which is inquiring into the Regional Partnerships program, to at least look at the political linkages that have occurred in relation to the granting of the funding and the process.

Senator BARNETT—To do that, we need some evidence.

CHAIR—Order, Senator Barnett! As I understand what Mr Windsor has said, he is giving his opinion—

Mr Windsor—Which I was asked for. I am not saying it is necessarily—

CHAIR—about this matter. You may recall from yesterday members of the government giving their opinions about why the number of applications made in Labor-held electorates was lower than in other electorates. So Mr Windsor is entitled to give his evidence in the way he sees fit—subject, of course, to the rules of the Senate and the committee. He is entitled to put forward his opinion; you are entitled to question him about that.

Senator BARNETT—And I am asking for facts. He is entitled to put his opinion. We are asking for some evidence, some facts, to back up his opinion.

CHAIR—Senator Barnett, you interrupted Mr Windsor's answer. You will get your opportunity to question Mr Windsor about that. You are making an assertion that, because he has given an opinion, somehow his evidence should not be given at all.

Senator BARNETT—We are asking for evidence, Chair.

CHAIR—You can do that when you get the opportunity.

Senator BARNETT—We have not found any yet.

CHAIR—You are giving your opinion now.

Senator BARNETT—I have asked my question. Please take it on board.

CHAIR—Mr Windsor, did you have anything further to add in answer to the question from Senator Carr?

Mr Windsor—No, but I would suggest that this committee is set up to look at—

Senator BARNETT—Don't tell us what to do, Mr Windsor. It is up to the committee to decide that.

CHAIR—Senator Barnett, do not verbal the witness. Mr Windsor, the committee will in due course make its deliberations on all of the evidence that it receives. You are entitled to indicate to us, because you were asked the question, your view as to why this occurred, and you have done so. It is for the committee to ultimately determine its view of that evidence.

Senator CARR—I asked a question about the processes by which the decision was made. Mr Windsor was part way through his answer. We heard yesterday that an application was received late in the piece and approved within three days after the minister specifically asked the departmental officials to expedite this matter. I am interested to know what the local member's involvement was, whether or not he was aware of the activities of the ACC in regard to the approval of this particular grant and the involvement of the university, to the best of his knowledge.

CHAIR—And I think he is—

Senator CARR—That is the point I am seeking information on.

CHAIR—Do you have anything further to add in that regard, Mr Windsor?

Mr Windsor—No. But, just to take on board Senator Barnett's comments, I am responding to the terms of reference that your committee has put out. This is an issue, like the Eidsvold issue, that this inquiry will obviously have a look at. I have responded to the ad. One of the things that I am saying is directly linking the equine centre arrangements, the University of New England and the Grace Munro Centre is political conditions being applied to funding. That is something that—

Senator BARNETT—And we are asking for your proof of that as opposed to your opinion.

CHAIR—Order, Senator Barnett!

Senator CARR—Mr Windsor, your opponent in the last election, Trevor Khan from the National Party, wrote an article in the *Northern Daily Leader* on 3 February 2005, which is today. He is saying that the reason the Regional Partnerships program was invoked for funding the New England program was that the University of New England was not able to convince the federal education minister to fund the program through the education department. I am interested to know whether you at any point had it explained to you why this particular project had to be funded through the Regional Partnerships program if the education department was not able to be persuaded of the efficacy of funding this program.

Mr Windsor—The short answer is: no, I am not aware.

Senator JOHNSTON—Is it correct that you first became a member of the New South Wales parliament in 1991?

Mr Windsor—Yes.

Senator JOHNSTON—Is it correct that at that time you held the balance of power due to the Terry Metherell-Nick Greiner affair?

Mr Windsor—No. The Terry Metherell incident occurred sometime after 1991. I really cannot recall, but from memory I think it would probably have been 1992.

Senator JOHNSTON—Do you remember what the Terry Metherell matter was about? You were member of parliament at that time. Are you telling me that you do not remember the corruption commission investigating the Premier?

Mr Windsor—Yes, the ICAC hearings into—

Senator JOHNSTON—What was it about?

Mr Windsor—From memory it was about favourable—

Senator JOHNSTON—It was about an inducement, wasn't it?

Mr Windsor—Yes, the granting of a—

Senator JOHNSTON—It was about an inducement for someone to give up a political job for another job, was it not?

Mr Windsor—Yes, essentially, I guess.

Senator JOHNSTON—And you were a parliamentarian at that time?

Mr Windsor—Yes.

Senator JOHNSTON—You are aware that, on 22 November 2004, the AFP made a finding with respect to complaints made to it about inducements and bribes offered to you. It said:

Having assessed this material the CDPP has advised that the evidence will not sustain a charge.

It went on to say:

The CDPP concluded that ‘... none of the versions of the conversations related by any of the witnesses can amount to an “offer to give or confer” a benefit. Further there is no evidence in this material of Mr Maguire having conspired with any other person to make an offer to Mr Windsor.’

You were aware of that when it was released on 22 November?

Mr Windsor—Yes. I was not surprised at all.

Senator JOHNSTON—Why is it then that, on 29 November in parliament, you continued to refer to the matter as a bribery allegation?

Mr Windsor—I think I mainly used the term ‘inducement’.

Senator JOHNSTON—Why do you continue to use the term ‘bribery’? You have used the terms ‘bribery’ and ‘inducement’ here today. Why do you continue to use them? The Federal Police have investigated and made a finding.

Mr Windsor—I think it needs to be said that the inquiries made by the Federal Police were essentially about a breach of the Electoral Act, which was the ‘confer a benefit’ issue. I did not make the application to the AEC. I responded to the questions of the police about what had happened. The Labor Party made the application suggesting that there was a potential breach of the Electoral Act. The police investigated. We gave our evidence in regard to the offers—the three messages that I alluded to earlier. One was about taking no credit for the equine centre related to funding. The second was about offering him anything it takes—what it would take to get rid of him and that sort of stuff. And the third was about the meeting. All I did was report that to the police. I did not see it as a breach of the Electoral Act, because I did not know that there was—

Senator JOHNSTON—So you did not see it as an inducement or a bribe?

Mr Windsor—It was an inducement to vacate the premises.

Senator JOHNSTON—It is either an inducement or a bribe or it is not, Mr Windsor. What is it?

Mr Windsor—I call it an inducement.

Senator McGAURAN—But at the time you did not—

Mr Windsor—I did not?

Senator McGAURAN—take it as such.

Senator O’BRIEN—Hang on! Who has the call here?

CHAIR—Senator McGauran, Senator Johnston has asked—

Senator McGAURAN—You have interpreted that since because of the Labor Party—

CHAIR—Order! Senator McGauran, you—

Senator McGAURAN—You have changed your mind.

CHAIR—Order, Senator Johnston!

Senator JOHNSTON—On 24 September 2004, you and Mr Hall consulted a legal practitioner with respect to these matters. Is that correct?

Mr Windsor—Yes. I am assuming that you have got the date right.

Senator JOHNSTON—So you had the full benefit of legal advice.

Mr Windsor—It was a telephone conference that did not take a long time.

Senator JOHNSTON—So it was over the telephone—you did not attend?

Mr Windsor—I attended a meeting with Stephen Hall.

Senator JOHNSTON—And spoke to a lawyer over the phone?

Mr Windsor—Yes.

Senator JOHNSTON—Were you billed for that advice?

CHAIR—Order! Senator Johnston, I am listening carefully to your questions but you are now approaching a situation of client and legal representative privilege.

Senator JOHNSTON—No, I am not.

CHAIR—I am listening to your questions carefully. I will allow that question, but you cannot ask questions in regard to what took place between Mr Windsor and his legal representative.

Senator JOHNSTON—Did you pay Mr Hall's legal fees for that consultation?

Mr Windsor—No.

Senator JOHNSTON—Was a bill paid?

Mr Windsor—No, not that I am aware of.

Senator JOHNSTON—So it was free legal advice.

Mr Windsor—It was a friend of Mr Hall. We sought some advice from him in terms of the—

Senator JOHNSTON—On 17 November you made a statement to parliament. You alleged that on 18 May 2004 a meeting had taken place over the course of some four to five hours between a Mr Maguire, Deputy Prime Minister Anderson and Senator Macdonald. Did you refer to notes when you made that parliamentary statement?

Mr Windsor—Which statement are you talking about?

Senator JOHNSTON—The one of 17 November.

Mr Windsor—Yes.

Senator JOHNSTON—You had notes and you had your speech written?

Mr Windsor—Yes, because I had five minutes to give that speech and I ran out of time.

Senator JOHNSTON—So you sat down and wrote out the fact that there had been a meeting on 18 May 2004 between those three people.

Mr Windsor—That was my understanding of what Mr Maguire—

Senator JOHNSTON—Was it a mistake, Mr Windsor, or was it a lie?

Mr Windsor—It was my understanding of what Mr Maguire had told us. What he has said, and John Anderson has confirmed this, is that the meeting that we thought took place the night before took place some days earlier.

Senator JOHNSTON—Who is ‘we’?

Mr Windsor—The people in that room.

Senator JOHNSTON—So Ms Tickle thinks the same thing.

Mr Windsor—I am not sure. I thought that Greg—

Senator JOHNSTON—So it is not ‘we’ now; it is ‘I’.

CHAIR—Let the witness answer the question.

Mr Windsor—I can only speak for myself. You can ask them that question. My interpretation of what Mr Maguire was saying was that the meeting had been held the night before.

Senator JOHNSTON—Your interpretation of what Mr Maguire was saying was that the meeting had been held the night before. That is your evidence to this committee?

Mr Windsor—At the time I thought—

Senator JOHNSTON—How much of the rest of your statement to parliament is based upon an interpretation, Mr Windsor?

Mr Windsor—I am giving you a recall of an event that happened some months earlier.

Senator JOHNSTON—You have alleged in parliament that a meeting took place between the Deputy Prime Minister, a senator and a Mr Maguire for some four to five hours on 18 May. That is either a lie or a mistake. Which is it, Mr Windsor? I am waiting.

Mr Windsor—Well, let me answer.

Senator CARR—We’re not going to badger the witness here, are we? We’re not going to play—

CHAIR—Order, Senator Carr! Answer the question, Mr Windsor. Give the witness time to answer.

Mr Windsor—The Deputy Prime Minister does not deny that a meeting took place. There was confusion in relation to the date.

Senator JOHNSTON—I am not asking about that.

CHAIR—Senator Johnston, let Mr Windsor answer the question.

Mr Windsor—The confusion arose because I thought Mr Maguire had said it was the night before. I do not know whether they had a meeting the night before, but they did have the meeting that we are talking about some days earlier, and that has been admitted by all parties.

Senator JOHNSTON—You now know that the Deputy Prime Minister was in Bundaberg. You now know that there was no such meeting on 18 May, notwithstanding that you were reading from a pre-prepared speech to parliament on 17 November. Correct?

Mr Windsor—Yes.

Senator JOHNSTON—Was it a mistake or a deliberate lie?

Mr Windsor—No, it was not a deliberate lie. It was my understanding that that meeting had taken place the night before. It is now my understanding that it took place some days prior.

Senator JOHNSTON—Are you telling this committee, Mr Windsor, that that so-called inducement was not an act of criminality in your mind at any stage?

Mr Windsor—No, I did not think it was. I saw it in the context of other inducements that had been offered to me over the years and I still do.

Senator JOHNSTON—So you sat on the allegation that a meeting had taken place for four to five hours between the Deputy Prime Minister, Senator Sandy Macdonald and a Mr Maguire on 18 May until 16 September. Correct?

Mr Windsor—Yes.

Senator JOHNSTON—And you happened to mention it to a journalist?

Mr Windsor—Yes.

Senator JOHNSTON—Who then runs the story about an inducement—a bribe?

Mr Windsor—Mentions it in a very small part about a hung parliament.

Senator JOHNSTON—And you—

CHAIR—Let him finish the answer.

Senator JOHNSTON—You were a parliamentarian in 1992 in the state parliament in New South Wales throughout the Terry Metherell affair?

Mr Windsor—Yes.

Senator JOHNSTON—You knew full well that everything you were saying on 17 November in parliament was putting Mr Maguire fairly in it, as perpetrating criminal conduct towards you, offering you an inducement and a bribe. Correct?

Mr Windsor—I did not see it in that context. I was—

Senator JOHNSTON—You used the words, Mr Windsor.

CHAIR—Order, Senator Johnston! You are entitled to ask questions, Senator Johnston, and I understand you vigorously pursuing your questions. But you must allow Mr Windsor to answer the question, and you are not to badger the witness or endeavour to verbal the witness. So, Mr Windsor, finish your answer, if you can recall the question.

Mr Windsor—What was the question?

Senator JOHNSTON—The question was that you used the words in your statement of 17 November. You said—

CHAIR—That was not your question.

Senator JOHNSTON—In the first paragraph, you said:

... an inducement offered to me ... the names of those people involved in an attempt to bribe me.

You knew full well the criminal consequences of this allegation at all times, Mr Windsor.

Mr Windsor—No, that is not correct.

Senator JOHNSTON—Why did you not go straight to the police: ‘It’s a bribe’?

Mr Windsor—Why did I not go to the police when Bill Heffernan came to see me? I saw those approaches—and there have been many of them—as part of the political process. The important thing to me is that I have never accepted them.

Senator JOHNSTON—Whilst the police investigation was current, you alleged that there had been an inducement and a bribe, under parliamentary privilege, against three people. That is what you did, Mr Windsor, isn’t it?

Mr Windsor—Yes.

Senator JOHNSTON—You knew full well that you were junking, wrecking, attacking and besmirching Mr Maguire’s reputation?

Mr Windsor—All I was doing was telling the truth in relation to a meeting. Whether it was a technical breach of the Electoral Act was for others to determine. The AFP in terms of their narrow investigation determined that there was not a prima facie case.

Senator JOHNSTON—Mr Windsor, you stood against the member for Gwydir in 1988 for preselection, did you not?

Mr Windsor—Yes.

Senator JOHNSTON—And you were defeated and finished fourth when Ralph Hunt retired.

Mr Windsor—I think that I was defeated and finished third, but those results are supposed to be—

Senator JOHNSTON—Who was elected?

Mr Windsor—John Anderson.

Senator JOHNSTON—In 1990 you stood for preselection for the National Party in the state seat of Tamworth—correct? You failed. You did not succeed—correct?

Mr Windsor—Correct.

Senator JOHNSTON—You signed an undertaking with the National Party when you stood that you would not stand in any other seat as an Independent.

CHAIR—I fail to see the relevance of this to the terms of reference of this inquiry, Senator Johnston. I will not allow that—

Senator JOHNSTON—Chair, on a point of order: this is a classic example going to the credibility of a witness who is sworn and who is making allegations against three people. This question is probably the most pertinent question this committee will entertain during its deliberations on these terms of reference. If you overrule it, I will dissent.

CHAIR—The question that you are asking about his previous political career in relation to—

Senator JOHNSTON—In relation to Anderson and the National Party.

Mr Windsor—John Anderson did not have anything to do with the Tamworth preselection.

Senator JOHNSTON—You gave an undertaking to the National Party, Mr Windsor, that you would not stand. Was it a sworn statement to the National Party that you would not stand?

CHAIR—Senator Johnston, that question is completely outside the terms of reference of this inquiry. Questions relating to the internal affairs of the National Party many years prior to these events that are before this committee are not relevant, I believe, to this inquiry—

Senator JOHNSTON—It goes to motive.

CHAIR—or to the evidence that has been given by Mr Windsor in his submission this morning. Now proceed to questions which are—

Senator McGAURAN—In defence of Senator Johnston asking these questions: it goes to the heart of the credibility of the witness. You allowed the witness to reflect and surmise on National Party motivation and Liberal Party motivation.

CHAIR—That was in regard to the granting of the grant to the university and to the equine centre and so on. Mr Windsor was giving evidence in regard to those events. These are questions which go to what happened in a preselection by the National Party for the state seat of Tamworth some years earlier and that is completely irrelevant to the terms—

Senator McGAURAN—What about the reflection then he has made, the Heffernan reflection? That is to do with preselection.

CHAIR—Senator McGauran, you did not make any objection at that time by way of background. Let us get to questions regarding the evidence that has been given and the terms of reference of this inquiry.

Senator BARNETT—Thank you, Chair. I turn to the issue of Mr Maguire. He has been a supporter of yours in the past?

Mr Windsor—Yes.

Senator BARNETT—He has supported your election campaigns?

Mr Windsor—Greg helped us during 2001.

Senator JOHNSTON—How did he help you?

Mr Windsor—He helped with some advice to terms of advertising and how to—

Senator JOHNSTON—Did he donate to your campaign?

Mr Windsor—I do not know.

Senator JOHNSTON—Did he raise money for your campaign?

Mr Windsor—He approached a few people to help.

Senator JOHNSTON—So he was instrumental in contributing financially to your campaign?

Mr Windsor—I do not know whether he was personally. I think he may have donated a room in his motel and there was a raffle prize or something. I do not have the evidence with me—I do not handle any of that type of thing—but I am not aware that he made any personal contribution.

Senator JOHNSTON—But he was a supporter of yours?

Mr Windsor—Yes, he encouraged me to run—I have never suggested otherwise. All I am doing is correcting the record in relation to a meeting that occurred, irrespective of whether it is a breach of an electoral act or not.

Senator JOHNSTON—He supported you in 2001. By 2004 was he a supporter of yours?

Mr Windsor—Yes.

Senator JOHNSTON—He supported your election campaign in 2004?

Mr Windsor—Not financially that I am aware of, no. But he was a supporter.

Senator JOHNSTON—Did he not tell you on 19 May that the Independent movement had not worked?

Mr Windsor—He was reflecting a view that had been put to him by John Anderson.

Senator JOHNSTON—He did say that to you? He said the Independent movement had not worked?

Mr Windsor—I do not remember him saying it in those terms, no.

Senator JOHNSTON—Did he indicate to you that he was unhappy and unsupportive of the Independent movement on 19 May 2004?

Mr Windsor—He made certain indications that maybe I should make some moves in terms of a political change.

Senator JOHNSTON—He indicated that you should make some moves in terms of a political change. His support was no longer with you from 19 May—that is correct, is it not?

Mr Windsor—No, that is not correct.

Senator JOHNSTON—So he still supported you. As you say, he is a gentleman and a well-regarded businessman in Tamworth—correct?

Mr Windsor—My dealings with him have been to that effect. I have known him since I have been a parliamentary representative. I got to know him more through the equine centre, which has been during the last 12 months. I had a little bit to do with him in 2001. I used to see him at functions occasionally. But our dealings within the last 12 months have been mainly in relation

to the equine centre. I approached Greg Maguire to chair that board, which he did and he did a good job.

Senator JOHNSTON—And you have a high regard for him over many years?

Mr Windsor—My contact with him has always been on a favourable level, yes.

Senator JOHNSTON—On 18 November you said to the parliament that he is a ‘gentleman’ and a ‘well-regarded’ businessman. You also said that you have a ‘high regard’ for him over many years and that he is a man of honesty and integrity—correct?

Mr Windsor—In my dealings with him, yes.

Senator JOHNSTON—He calls you a liar.

Mr Windsor—I know.

Senator JOHNSTON—What do you have to say about that?

Mr Windsor—I am disappointed, and in fact this is the very reason I am here—because he has misrepresented the conversation that actually occurred. I can understand why he has done that: it could have been a technical breach of the Electoral Act—which he would not have been aware of at the time—in relaying a message from other people who would not be in breach of that act. I have great sympathy for Greg Maguire. Just because he is getting stuck into me I am not going to reverse that sympathy. But I am not going to misrepresent the meeting that actually took place.

Senator JOHNSTON—On 18 November you said to parliament:

One of the reasons I have been reluctant to name the names is that there are people who are going to be damaged by this who should not be—and the people who should be damaged will most probably be able to fly away and hide behind the chinese wall of an intermediary.

On 18 November you knew, as a result of legal advice received on 24 September, that Maguire would be damaged when you went to parliament under privilege during a police investigation into this matter about inducement and bribe. You knew that he would be damaged at all times—correct?

Mr Windsor—He had told us he was going to lie.

Senator JOHNSTON—I am talking about 18 November. On 17 November you made your initial allegation; on 18 November you knew—

CHAIR—Order, Senator Johnston! I think I should draw to the attention of all members of the committee an important issue here that must be borne in mind. I have received advice in regard to this and I wish to make this statement. This committee is required by the Senate to inquire into the administration of the Regional Partnerships program. Under well-established rules of the Senate, observed by the Senate and its committees in the past, the Senate and its

committees do not inquire into the conduct of a member of the House of Representatives as a member, or proceedings in the House of Representatives. This is a matter of comity between the two houses, the basis of which is that it is proper for the house concerned to make any inquiry into the conduct of its members in its own proceedings.

In the course of this inquiry the committee may receive evidence about actions taken and words spoken by members of the House of Representatives insofar as that evidence is relevant to the committee's terms of reference. It is for the committee in considering its report to determine the weight to be given to that evidence in relation to the matter under inquiry by the committee, while observing the rules of the Senate. In doing so, it will not be the role of the committee to impeach the conduct of members of the House of Representatives as members, or proceedings in that House. I think this should be borne in mind and I also draw your attention to standing order 193, which goes to the same issue.

I understand that in Mr Windsor's evidence he has referred to the statements he made in the House, and you have asked questions in regard to those statements, but I also draw to your attention that you are not entitled, pursuant either to standing order 193 or to those other general principles, to seek to impeach or impugn the motives or evidence of Mr Windsor as a member of the House of Representatives.

Senator BARNETT—Mr Chairman, I would like to respond to your comments and to consider dissenting from your ruling on the basis that—

CHAIR—I have not made a ruling. I made a statement—

Senator BARNETT—Well, you have made a statement—

CHAIR—and I have asked members of the committee to bear in mind—

Senator BARNETT—Mr Chairman, please, I am speaking. You have spoken and I would like to respond. Mr Chairman, in the evidence put before this committee by this witness he has made unabashed allegations of the highest order of criminal activity and criminal action by the Deputy Prime Minister, the senator and another person outside this parliament. He has included that in his evidence and he is now being cross-examined on this evidence. Those members of parliament and their families have been besmirched in the public arena and in my view they do not deserve being so besmirched. This witness is now being cross-examined accordingly and Senator Johnston, myself and other members of this committee have every right and entitlement to cross-examine this witness on the evidence in his submission. I draw that to the chairman's attention.

CHAIR—You have drawn your comments to my attention and to the attention of the committee. That is your interpretation of the witness's evidence. That is a matter for the committee to address at another time.

Senator BARNETT—Mr Chairman, are you trying to shut down the efforts of certain senators to ask this witness certain questions, and to ask him to back up his allegations, which are of the most serious order?

CHAIR—I am not in any way seeking to do so. Senator Johnston has been asking his questions now for half an hour, a similar amount of time to that allocated to Senator Carr. I am drawing to your attention that, whilst you are entitled to ask Mr Windsor questions in regard to his evidence, you are not entitled to impugn this witness in relation to what was said, certainly in regard to the House of Representatives. That is the point I am making. Senator Johnston, you can continue with your questions. Senator Murray?

Senator MURRAY—Chair, I wonder if I could just add to the discourse that we are having at present. I think cool heads need to prevail on this issue. What has been drawn to your attention and what you are drawing to the attention of the committee is, in fact, a very serious longstanding constitutional issue which goes to the rights of both houses. Whilst it is perfectly true about the seriousness of the allegations made by Mr Windsor, the members of the House as affected have recourse through the House and the senator as affected has recourse through the Senate—but through another committee. I think it would be very unwise for this committee to stand instead of the Senate Privileges Committee or for this committee to stand instead of the House Privileges Committee. Those are the proper places for that to occur. I am sure Senator Johnston, with his experience and background and training, will understand the point I make and the points you have made. It would be very unwise to breach something which could come back and bite us all on a different occasion. These are rules and conditions and conventions which have been developed over time for the protection of both houses and are to the benefit of both houses.

CHAIR—Thank you, Senator Murray. This is an issue which I do not wish to continue discussion on because it is more appropriately dealt with in a private session. Senator Johnston, do you have further questions?

Senator JOHNSTON—Are you aware of Mr Maguire's response to you dated 23 November 2004?

Mr Windsor—I did read it once, yes.

Senator JOHNSTON—I will quote to you what he said:

Mr Maguire said that from his personal perspective he had no problems in placing on record that pro-active support for the Australian Equine and Livestock Centre by Mr Windsor at both State and Federal level over the last 10 years. Indeed, it was through Mr Windsor's involvement with the Centre and his concurrent friendship with Mr Maguire over that period that Mr Maguire was prevailed upon, some 12 months ago, to take on the chairmanship of the Centre.

In the result, however, the reward to Mr Maguire for the success of his and other Tamworth community members in securing the promise of State and Federal funding to make the Centre financially viable has been to receive a poisoned political chalice. This was delivered to him under Parliamentary privilege by a person whom he considered a friend and a mate.

The resultant damage to Mr Maguire and to his family and friends who have stood by him is a price that no member of the community should have to pay. Mr Maguire said that it remains to be seen whether there is the political will on all sides of Parliament to try and address this imbalance and short-coming in our democracy at not only Federal, but also State level.

Do you remember those words?

Mr Windsor—I take them as read.

Senator JOHNSTON—So this is all about Tony Windsor, is it not? The whole 17 November presentation to parliament was all about Tony Windsor and his position as the member for New England, no matter who gets damaged. Is that correct?

Mr Windsor—No. This is about the truth about a meeting that took place on 19 May. It is not about whether it was a legal breach of the Electoral Act; it is about the interpretation of that meeting. That meeting did take place. John Anderson and Sandy Macdonald were not in the room. But Greg Maguire was and he made these indications quite plain.

Senator JOHNSTON—Greg Maguire also indicates—

Mr Windsor—Can I answer the question? This is about the truth of that meeting. I am not making an allegation and saying that someone should be sacked or someone should go to jail. What I am suggesting is that this was my recall of that meeting and that it is the truth of that meeting. That was misrepresented. You talk about others being damaged in terms of their credibility. When the truth was misrepresented I was damaged. This forum is the appropriate place for people to be allowed to put their views as to what actually happened.

Senator JOHNSTON—The allegation is that there was a meeting on 18 May of some four to five hours between Anderson, Macdonald and Maguire. Who said those words? Who told you about that meeting?

Mr Windsor—The understanding we got was that the meeting had happened the night before. We are told now that it happened a few days prior.

Senator JOHNSTON—What is your understanding?

Mr Windsor—The meeting did occur. No-one is denying the meeting occurred. No-one is denying who was in the room and that the dark-haired lady left after a period of time. No-one is denying that. The understanding—

Senator JOHNSTON—Mr Windsor—

Mr Windsor—The understanding that I received at that meeting with Greg Maguire was that it had happened the night before. If I can put it in context, Greg Maguire was so excited about that meeting that he had had with Anderson and Macdonald that when I walked in the door one of the things he said was, ‘That guy just hates you. He’s paranoid about you.’

Senator JOHNSTON—That is not in your statement: ‘That guy just hates you’.

Mr Windsor—The word ‘paranoid’ is.

Senator JOHNSTON—‘That guy hates you’ is not in your statement, is it?

Mr Windsor—There are probably a lot of things that are not in there. When I was asked to recall it, it was four months later. There was no conspiracy to bag Greg Maguire. After that

meeting finished on 19 May, the second part of the meeting was talking about the Equine Centre. I attended meetings with Greg Maguire after that. I was on the board of the Equine Centre. It gets to the heart of the issue. I was still on the board. We had meetings. I had no intention of doing anything about those allegations until the Labor Party picked up on three lines in a newspaper and referred it to the Electoral Commission. One thing I will not do—and I think you, Senator, should be made very well aware of this—is that, if I am approached by the police, I do not lie. So when the Federal Police came into this, because of the reference from the Labor Party I was faced with a decision: do I lie to protect Greg Maguire or do I tell the truth? I opted for the truth. I did not like doing that—

Senator JOHNSTON—We will never know that, will we, Mr Windsor?

Mr Windsor—I know it, and that is what important.

Senator JOHNSTON—Do you have a copy of your police statement?

Mr Windsor—No, I have not.

Senator JOHNSTON—We will never know, will we, whether you lied to the police?

Mr Windsor—You can rest assured that I did not. The easy way out of this issue would have been to have lied, and I would hate that a senator in this building would have encouraged that sort of activity to occur.

CHAIR—Can we come back to the terms of reference and questions related to it, because other senators wish to ask questions.

Senator JOHNSTON—Okay; I will be quick. Who said to you the words ‘four- to five-hour meeting the day before’?

Mr Windsor—Greg Maguire said that he had a four- to five-hour meeting with Anderson, Macdonald and a dark-haired woman who he did not at the time seem to know. I suggested that it may well have been Wendy Armstrong; he was not sure.

Senator JOHNSTON—What is there to interpret about that?

Mr Windsor—The inference was that it was the night before. That is what I assumed it was, because of this excitement that he had displayed. It was as if he had just had the meeting the night before. I do not know whether there was one the night before, now, but the lengthy one took place a few days prior. But it was the same meeting that we are talking about—about the project, about—

CHAIR—I think that has been said a number of times. Can we move on, Senator Johnston.

Senator JOHNSTON—I just want to ask this one question: you say that Maguire told you to your face, he ‘indicated’—your word—that he had spent four to five hours the night before in the company of the Deputy Prime Minister, John Anderson, National Party senator Sandy Macdonald and a black-haired woman whose name he did not recall.

Mr Windsor—That was my understanding.

Senator JOHNSTON—I am not asking you what your understanding is. Did he use the words ‘I had a four- to five-hour meeting last night’? Did he say that to you?

Mr Windsor—I cannot recall the words ‘last night’; I recall the words ‘a four- to five-hour meeting’.

Senator JOHNSTON—Where did you get ‘last night’ from, then?

Mr Windsor—I assumed it was the night before, but it was a few days prior. The meeting took place.

Senator JOHNSTON—What other assumptions—

Senator Carr interjecting—

CHAIR—Senator Carr, it would be of great assistance to the committee if we proceed in an orderly fashion without these across-the-table interjections. Senator Johnston, are you winding up with your questions, at this stage? I then intend to go to Senator Murray.

Senator JOHNSTON—In your statement to parliament on 17 November, what other assumptions did you make to formulate the factual content of that statement?

Mr Windsor—The important aspect of that speech was that I was addressing a meeting that took place. There has been some correction of the time but no dispute that the meeting took place and that the various people who were in that room were there.

Senator JOHNSTON—You said, ‘Mr Anderson and Senator Macdonald asked Mr Maguire what it would take to get me not to stand for re-election.’

Mr Windsor—Yes.

Senator JOHNSTON—There is no reference there to ‘Mr Maguire said that at the meeting the night before, over four to five hours, Mr Anderson and Senator Macdonald said ...’. You simply say, ‘Mr Anderson and Senator Macdonald asked Mr Maguire.’ Are you making an assumption that it was Anderson and Macdonald in that statement?

Mr Windsor—No, what I am saying is that I had a meeting with Greg Maguire and there were two other people in that room with us. Greg Maguire conveyed some messages to me. One was about removing myself from the premises; that there would be the possibility that he had met with Anderson and Macdonald—dispute about the date—and that they had raised these issues that there was the possibility of a trade, a diplomatic appointment, anything that it takes. What would it take to get rid of him—that was the line at issue. I did not come out of that meeting with copious notes. If you are trying to develop that the fine detail is a little bit blurry, I would agree with you—it is four months later.

Senator JOHNSTON—Did Maguire say that Anderson and Macdonald had asked him to say to you, ‘What would it take to get you, Mr Windsor, not to stand?’ Did Maguire use those words?

Mr Windsor—That is my recollection.

Senator JOHNSTON—So tell us exactly what your recollection is of what he said.

CHAIR—He has just answered the question, Senator Johnston.

Senator JOHNSTON—Tell us what he said.

CHAIR—He has just answered your question; now move to another question.

Senator JOHNSTON—So Maguire, for the rest of this statement, said, ‘They have told me to convey to you that they would offer you a diplomatic post or trade appointment.’

Mr Windsor—Or anything it takes.

Senator JOHNSTON—Or anything it takes. Is ‘anything it takes’ on that statement?

Mr Windsor—It may not be on that particular statement, but it was definitely reported to the police.

CHAIR—Are you finished, Senator Johnston?

Senator JOHNSTON—No, I am not.

CHAIR—I will allow you one more question at this stage—we do have to move to other members of the committee.

Senator JOHNSTON—Mr Windsor, are you aware of the other two witnesses’ attitude to giving evidence to this committee?

CHAIR—I will disallow that question. The committee has yet to deal with that issue that has been raised in private.

Senator JOHNSTON—I wish to raise a point of order.

CHAIR—Let me finish what I am going to say. I will not allow you to ask questions about the situation of those other witnesses at this stage. Such questions might be more appropriately dealt with, if necessary, after those witnesses have appeared before this committee.

Senator JOHNSTON—Point of order, Mr Chair: a press release has been issued by this witness that says that all involved can give their evidence publicly and be cross-examined. I want to put to him how he knows that—I think it is very germane.

Mr Windsor—When was the press release?

Senator JOHNSTON—It was 22 November 2004.

Mr Windsor—Was the committee formed then?

Senator JOHNSTON—No. I want to put to him the question: how does he know that the witnesses are prepared to give evidence publicly and be cross-examined?

CHAIR—I will allow that question; it is different to the one you asked earlier.

Mr Windsor—I think the reference that was being made back then—I have not got a copy of the press release—was that if a committee was set up, quite obviously they should be able to make their representations in public. I was in no way trying to pre-empt the determination of the committee that far out.

Senator JOHNSTON—You have said in a press release that you want an inquiry so that ‘all those involved can give their evidence publicly and be cross examined’. Did you discuss with any of the other people present at the meeting on 19 May them giving evidence publicly to an inquiry on 22 November?

Mr Windsor—I have discussed the issue with them as to whether they would be interested in giving evidence. The reference in that press release is to ‘all’—meaning, John Anderson, Sandy Macdonald, Greg Maguire, the black-haired lady whom John Anderson has identified as Wendy Armstrong, and any other people who believe they have something to contribute in relation to this particular matter—so that the truth could come out. I still believe it.

Senator JOHNSTON—Had you—

CHAIR—Senator Johnston, I am going to give the call now to Senator Murray. I just remind senators that this committee has written to many of those people, inviting them to make submissions. Of course, the committee is anxious to hear all its evidence in public and to receive submissions from anyone who can assist the committee in its deliberations.

Senator MURRAY—Mr Windsor, I would like to go to your experience and background in politics, if I may, just as a lead-in. On the record, you have been in state and federal politics as a lower house member in both circumstances since 1991. That is correct?

Mr Windsor—Yes.

Senator MURRAY—Prior to that, did you have any other political background or experience? Were you a local councillor or involved in politics?

Mr Windsor—No. I was involved in the New South Wales Farmers Association, and I was on the Grains Council of Australia. I was a member of the National Party as well.

Senator MURRAY—Much of your evidence relates to political behaviour and the way in which politics operates in a real sense in a country constituency and in a contested environment. Do you consider yourself to be an experienced politician who knows the ‘game’, as it is described, well?

Mr Windsor—I think you are always learning. I did not enter politics to play political games. I entered to do something for the communities that I represent, and I think that has been displayed through the vote that I have received. This sort of environment is not comfortable for me at all. It is not the reason that I went into politics, nor was it to play any sort of political agenda against others. I made that point earlier. I do not want John Anderson to resign, and I do not want Greg Maguire to be penalised for inadvertently breaching the Electoral Act.

Senator MURRAY—I have asked you that question, because making a judgment about behaviour is obviously dependent on experience. For somebody to come to us with these views with three months experience is entirely different from somebody who has 13, nearly 14 years experience.

As I see it, three issues are identified through your evidence and through the terms of reference. The first is the issue surrounding the Regional Partnerships scheme; the second is the issue surrounding inducements; and the third is the issue surrounding the bullying, if I can put it that way, of a parliamentarian in the conduct of their duties. I will deal with those three in that order.

Firstly, turning to the Regional Partnerships issue, based on your direct experience—and you should indicate to the committee whether you are experienced with only these three applications or whether you are experienced with more applications under the Regional Partnerships scheme—do you consider that political criteria are a dominant or a contributory consideration in the approval and the grant of Regional Partnerships applications?

Mr Windsor—Yes, I think there is a political overlay. The submission, which follows the history of the development of the equine centre—I have been involved with it for a number of years: I was involved at the state level getting the New South Wales government to commit money; I was involved on various committees; and most recently I was on the board—shows that it is a classic example of a great project with a great multiplier effect that fits the community that is embracing it but which has been impeded by the political process—because of my involvement over many years. John Anderson made that quite plain to Greg Maguire in one of those messages saying, ‘Whilst Windsor is involved, there will be great difficulty.’

Senator MURRAY—The committee is going to have to come to a view as to whether political criteria operate in the granting of Regional Partnerships applications, either on a systemic or an occasional basis or not at all. It is difficult to reach a conclusion, obviously, from just one member’s views about one region. In expressing your view that political criteria have applied, in your experience, you did say that you attended to the evidence of the department yesterday?

Mr Windsor—Some of it.

Senator MURRAY—Do you recall that the evidence of the department was that there had been 1,069 applications for Regional Partnerships projects up to 31 December 2004, of which 504 had been approved and of those only 17 had been dealt with by the minister or the parliamentary secretary in a way that was different from what the department had recommended?

Mr Windsor—Yes.

Senator MURRAY—On a prima facie basis, based on their evidence and what we have heard to date, that would seem to indicate that if political criteria were operating—assuming it does not operate in the department, and there is no evidence that we have that it does—you might only suspect it in those 17 cases.

Mr Windsor—I guess you could assume that.

Senator MURRAY—Do you know if any of these three of your schemes fall into those 17?

Mr Windsor—The equine centre, which has been announced. The department spent some time on it yesterday, saying that it was an election promise rather than a Regional Partnerships commitment. It was understood that an application had been made through the area consultative committee for Regional Partnerships funding. The answer that is coming through now is that even though it will be funded there is a decision yet to be made as to where those funds come from.

Senator MURRAY—But isn't that legitimate? If the Labor Party, the Liberal Party or the Nationals, as possible members of a government, say in an election that they will fund this, that or the other, it is open, it is public, it is political; it is dealt with on its merits. That does not strike me as unusual. You might condemn it but it is open and above board, don't you think?

Mr Windsor—I am not suggesting that this committee will remove pork-barrelling and that winners do not have the right to disburse some largesse in appropriate places. My submission is mainly based on the political agenda that has been placed on the funding: the pressure that was applied to Uralla council, for instance, to not have me present, and the potential breaches of protocol in relation to those sorts of things.

Senator MURRAY—Where I am going with this, Mr Windsor, is that I think politics is likely to interfere in some circumstances, but I would be greatly concerned if 1,069 applications were all dealt with on a political basis because then you have a corrupt system. However, if it is occasional and individual then you can deal with it as a breach of policy. It is not government policy; it is a breach of rules, it is a breach of an approach. Of course, your evidence relates only to those things of which you have specific knowledge.

Mr Windsor—In those cases that I have had any dealings with, the area consultative committee has gone about its business in an appropriate way. I cannot say that that applies to all other area consultative committees, but the staff on the area consultative committee, the project operators et cetera, in my view have attempted at all times to do the appropriate thing in relation to funding. The equine centre is a case where the minister has moved in and politics rather than the objective process has taken over.

Senator CARR—There are also the cases of the University of New England centre and the other centre in which you were involved. We now have three occasions in one electorate where proper administrative practice, which is what we would expect in this country, appears not to have been followed.

Senator MURRAY—May I continue with my line of questioning?

CHAIR—Senator Carr, please let Senator Murray continue.

Senator MURRAY—My line of questioning really comes back to what I think is the script we should read between the lines, and that is that the danger of political interference is greatest where the persons concerned have the most at stake. In other words, the stakes are not the same for 1,069 applications. They might be much higher in some circumstances than in others. That is really the point I was drawing to. To confirm the view that this was not government policy—because I think it is very important in the accountability process to establish that—I want to draw your attention and that of the committee to part of your submission, which was dated 28 January. In the very last paragraph on page 2 you say:

I believe the behaviour of Senator Sandy Macdonald deserves closer scrutiny. His conduct is in stark contrast to the professional courtesies and advice extended to myself as the local member and Uralla Shire Council by the current Minister for Ageing, the Hon Julie Bishop, the former Minister the Hon Kevin Andrews, the former Minister for Regional Services, the Hon Wilson Tuckey and their departmental staff who had carriage of funding arrangements.

That clearly indicates that you are separating out the behaviour of representative members of the government, who you think behaved totally properly, from that of a senator who you think did not. That seems to indicate to me that you are not pointing the finger at government policy overall as to how these matters are dealt with.

Mr Windsor—Senator, you are referring to the Grace Munro Centre, which is an aged care facility that has had a range of people make a contribution towards it. It is a great success in terms of the funding arrangements and the Commonwealth government, through Regional Solutions, did put some money in. The aged care minister, Kevin Andrews, was outstanding in relation to the way he dealt with that issue. The new minister, Julie Bishop, has been excellent. Wilson Tuckey, when he was minister for regional services, gave us excellent advice. We had meetings with him and Kevin Andrews. The point I was making there is that the professional way in which those ministers and representatives of the government worked in relation to the delivery of that particular facility has been very good. In relation to the conduct of Senator Sandy Macdonald and the way he has bullied and cajoled, I advise you to read the statutory declaration from the general manager of Uralla council. It is quite damning. There really do need to be some questions asked about the propriety of that sort of behaviour by a member of the government, or a member of any party.

Senator BARNETT—The witness does not have to advise the committee on what we should be or should not be doing. He should be answering questions, and I just draw the chair's attention to that.

Mr Windsor—I am regurgitating what I have said. The reason I have raised it—

Senator BARNETT—We know what our role is.

CHAIR—Order, Senator Barnett! I do not think that what the witness put is contrary to the standing orders. He is entitled to indicate to this committee what he thinks the committee should consider in its deliberations, and we will deliberate.

Senator BARNETT—Back to the questions then.

Senator MURRAY—I think from the evidence I have received so far that this matter points at a few people, not at the government as a whole.

Mr Windsor—Yes.

Senator MURRAY—That seems to be the nature of your evidence. If we accept that it points to a few people, it has been my experience that politicians—some, not all—do not give credit where it is due, they take credit where it is not warranted and will claim power and influence which they do not have by big-noting themselves and so on. In other words, there is a difference between perception and reality. You have said in your submission that there is evidence of a pattern of behaviour and politicisation and so on. Do you think it is possible that the reality is that there was not much real political influence but that people were claiming it and that people in the electorate and in these various bodies, such as the aged care centre or the university council or the equine centre management, believed that some politicians had the power to interfere with the decision making process on the funding of these applications when in fact that was not the case?

Mr Windsor—What has happened in New England—and I think it is probably happening in a number of other electorates too—is that political power is being exerted on individuals in relation to certain processes.

Senator BARNETT—Do you know the electorates?

Mr Windsor—I think you will find something coming out of Kennedy fairly quickly. The problem that arises is that you have got government purporting to represent a program, in this case, that is fair and people can go through their ACC and the department and be assessed. That is not always happening. There is a political overlay that kicks in occasionally and, to make sure that that is being interpreted within the community in the appropriate way, there is pressure: ‘Windsor should be off the board or there is no money. Windsor cannot be on the plaque.’ I do not want to be on plaques, but there is that subtle pressure. ‘Windsor should not speak at this particular function. If he does, the government will take a dim view of it.’ This is a member of the Senate saying this. The government would not be taking a dim view. An individual is misrepresenting the government and purporting to say things that, in my view, the government does not actually stand for.

Senator MURRAY—That is why I am asking you about your political experience and background. You have been in the game and in a hard-nosed kind of politics for a long time. It seems possible that individual politicians may be misrepresenting their powers and their abilities to people who do not know otherwise. In other words, they go to a person on the equine centre board or the New England council and they say, ‘If you don’t do this and take this person off or do the other thing, I can do this, that and the other,’ when in fact they have absolutely no ability or power to do that whatsoever. That reflects very badly on the political personality, but it does not really affect what the department is doing. That does not mean that people cannot get in ministers’ ears and lobby effectively, because obviously they can and they do. How much of this is effected by the disconnect between the reality as we political practitioners know it to be and the perception that members of the public who are involved in these projects might have?

Mr Windsor—I do not think I can answer that. I am just not quite sure what you are driving at.

Senator MURRAY—I want you to, because you have made a statement where you have said:

The submission details

1 The political conditions placed on funding approval regarding my position on the Australian Equine & Livestock Centre Board ...

You then go on to say:

It was common knowledge that whilst the then State Member was an Independent and more recently the Federal Member, that Federal funding would not flow for this project whilst I maintained a close involvement.

What you are saying there is that a politician who said to the equine centre people, 'If Windsor's involved you're not going to get the dough,' could deliver on that. The department's evidence is that they could not. What is the truth?

Mr Windsor—The original submission was back in early 2001. That project has always been a viable project. It was a viable project when it was first put up. It was rejected for political reasons, in my view.

Senator MURRAY—Against the advice of the department?

Mr Windsor—The department made some interesting comments in relation to that yesterday, and it might pay to follow that up. They alluded yesterday to looking at a report, not a submission or an application. There is some conjecture out there as to what actually occurred, but it gets to the root of the problem, which is that the people who were referring them were political players. If you go through this series of events, I think you will see quite clearly that in the early days the agenda was to look as though you were helping it but to stop it.

There was a reference to Jackie Kelly's office at one stage to talk about funding. The funding proposal was for \$3.35 million. The maximum allowable from her department was \$100,000. So this was consuming time, with well-meaning people thinking that they were getting the correct advice. At that stage Senator Sandy Macdonald was on the committee. I was on the committee itself—not the board; the previous committee. So there was slowing advice: the pretence of being all for it but making sure that it did not happen.

I had been involved with the procurement of funds from the state government. What accelerated this, essentially, was the fact that—and I was involved in the coordination of this meeting too—originally the Premier of New South Wales said he would commit \$3.35 million if the federal government would match it. In a political sense, that gave the Commonwealth some degree of control. If it did not match it, it did not happen. The dates are in here. I am sorry; I am not brilliant on some of these dates. The meeting took place with Bob Carr and he agreed to remove the tie with the Commonwealth. He said, 'You can have the \$3.35 million as long as you raise the rest.'

What that did in a political sense within the electorate—and I was involved in the strategy—was to say to us that we had some starting money and that we had to go and raise the balance somewhere else. Some of it could have been debt funded, but I think we had a good opportunity through the council, through the equine industry itself, which ended up putting in about \$2 million, and through major sponsorship to have raised the rest of the money. The message that sent to the Commonwealth was: ‘They’re going to build this without us. We can’t afford not to be there.’ In that sense they came back into the game, but they had to make sure that they had control of the process. I congratulate Greg Maguire. He has done a good job as board chairman. But essentially what you have got is a very similar, almost identical, project which the Commonwealth has given \$6 million to now, compared with the one which was going to cost \$13.7 million a few years ago when we were asking the Commonwealth for \$3.35 million and they would not give it to us. It is essentially in terms of the stabling arrangements, the concept, the seating—

Senator MURRAY—Is your evidence that they would not give it to you because you were the member or because you were involved?

Mr Windsor—Both. I think the politicisation of the process coming into the election period helped the delivery of the money, and I am very pleased about that.

Senator MURRAY—Let me move to the inducements question. An inducement is improper and constitutes bribery and is rightly a criminal offence because it seeks to get somebody to do something for their benefit that they would not do otherwise. You surely do not regard someone trying to recruit someone else to another political party as an inducement or a bribe?

Mr Windsor—I do not consider what Greg Maguire—

Senator MURRAY—No, let us just deal with the principle. If someone comes along and wishes to recruit someone to join another political party—and providing that does not go with ‘and by the way, we will give you a ministership’ and all that, but just as a straightforward member of a political party—you would not regard that as a bribe or as corruption, would you?

Mr Windsor—I would say it is an inducement, but I am not a legal person. My word for that would be that there was an offer of an inducement to do that.

Senator MURRAY—What you are leading me to believe is that if an experienced politician such as you—who, as was outlined in earlier evidence, went through the Greiner affair, if I can call it that, and knows how serious inducements can be—is confused as to political recruiting being described as inducements, it would seem to me that that may lead the committee to recommend that the criminal provisions be more clearly defined. If the practitioners do not understand what it means, it seems odd to me.

Mr Windsor—I was not aware it existed, and that is one of the reasons—it is not the only reason—I did not bother to do anything about it. I just got on with life.

Senator MURRAY—I must state clearly that I do not have an issue with the idea of Senator Heffernan galloping over on his white horse and saying to you, ‘Listen, mate, we want you for the Libs because you are better in our hands than on your own.’ I do not see an issue with that or

with the Labor Party calling in Mr Garrett or anything else, providing it does not attach itself to ‘and by the way, here is a ministership or the speakership of the House or anything else’. Let us put aside the recruitment thing. However, an inducement or a bribe to remove someone from a seat in return for a diplomatic post is rightly an extremely serious offence and is rightly a criminal offence, in my view. You have been questioned on this, but just try to satisfy me again: are you seriously telling me that a person with 14 years experience in politics, including state politics, who is an educated man—I see you are a Bachelor of Economics—did not realise that that inducement, as you described it, was as serious as I have described?

Mr Windsor—Yes. I did not realise and I do not think Greg Maguire did either. I am sure he did not.

Senator MURRAY—Do you think that is a common problem for many politicians?

Mr Windsor—I can only speak for myself. Obviously, those with a legal or procedural background would probably be more inclined to pay more attention to those sorts of things. I saw the approach, as I did with Bill Heffernan—and another one that I have not even spoken about from George Souris—and others, as essentially part of the argy-bargy of politics. The reason that this has all been raised in this issue was the reference to the police, where I was confronted by that decision. I said to the police that I saw it in terms of the argy-bargy of politics, and they kept saying, ‘But, Mr Windsor, we have a reference from the Electoral Commission that this is a breach of the act.’

Senator MURRAY—I might have misunderstood you, Mr Windsor, so please correct me if I did. I got the impression that you felt that the offering of these kinds of inducements was quite common, in your experience at least. Was that the correct impression?

Mr Windsor—The number of approaches I have had maybe reflects being an Independent, I do not know. Obviously, in the parties you are not going to be approached. You might have factional deals or something. There have been a number of approaches both at a state and federal level made to me to stop being an Independent, to become a Liberal or to become a National. The Labor Party have not approached me, I am sorry.

Senator MURRAY—When the committee is going to end up dealing with this we will have to deal with it on the evidence, but you also deal with it based on your own experience. Around this table are several decades of very profound political experience, and my own experience is that inducements of this sort are extremely rare. I can only speak for myself and I would also expect my colleagues in my party to tell me. Bear in mind that the Democrats for three decades have sat in the balance of power position and, at times, I personally have made decisions which affect billions of dollars—but I have never had the hint, the smell or even the notion of an inducement when there are very high stakes. So my own experience is that it is a very rare occurrence, and I am interested that in your circumstance you see it as common. Therefore if you have that view, is there a common source for the inducement? Is it the same person or persons or party or parties that do these things?

Mr Windsor—No. Bill Heffernan a couple of times; George Souris back in the state days—

Senator MURRAY—But Bill Heffernan was trying to recruit you.

Mr Windsor—Yes.

Senator MURRAY—That is not an inducement, surely; not in the criminal sense we discussed.

Mr Windsor—This issue was raised with the *Sunday Telegraph* and it was in that context that I raised the intermediary making representations to me on behalf of two political players. The language used by the Electoral Commission or the Federal Police was of an inducement. I think that might be in the act.

Senator MURRAY—Have the inducements—the more serious ones, because, as I say to you, I discount Senator Heffernan’s recruitment attempts—always been offered through intermediaries or directly by another politician?

Mr Windsor—A couple of the ministerial ones have been direct. It is what we in our own minds classify as an inducement.

Senator MURRAY—Let me get to the heart of it. If someone said to you, ‘Listen, Tony Windsor, you’re a pain in the backside. We want you out of here and we’re going to give you the ambassadorship to Chad’—it is probably not a strong inducement! Nevertheless, it would be a crime, and that is a very serious matter. Is that sort of direct inducement common—that you leave your seat for a better, preferred and more secure position of some kind?

Mr Windsor—No, it has been mainly ‘you will be better off’, ‘you will be a member of the team’ or ‘you will be a minister’. That sort of power trip or additional money is in that sense the inducement. I have rejected all of those. One thing I would say is that I do not think anybody could be convicted under the Electoral Act for this supposed breach that was referred by the Labor Party because of the inducement that was offered to me by an intermediary—unless the intermediary was an absolute fool or someone had a tape recording of the events. It is almost farcical that someone could refer that incident and expect a conviction.

CHAIR—It is a matter of the circumstances in each case and whether or not they amount to sufficient evidence that would warrant a prosecution, and that is what I think the AFP found.

Senator MURRAY—Chair, before I conclude this and move on to another set of questions—briefly—I would like to request that the committee have a briefing from the A-G’s Department on the nature of and the criteria that surround this concept, because it does seem to me that, if it is designed to prohibit certain behaviour, and those who are directly involved in the system do not understand it and cannot find a way to deal with it or describe it, it may need further exploration.

CHAIR—I think we can deal with that in an appropriate meeting of the committee later.

Senator MURRAY—The third area is bullying. This is essentially where government senators or members are, according to your submission—these are not your exact words—saying, ‘To us go all the spoils,’ and a non-government senator or minister is not to have a share of the benefits of government largesse, which is for all Australians. They say, ‘You will be excluded from attending functions, having your name on a plaque, being a member of

community organisations et cetera, because you are not of the government.’ That is an interference in your responsibility to represent the—what is it?—80,000 people in your electorate?

Mr Windsor—Yes.

Senator MURRAY—Has that been a common experience over your 14 years of representing citizens at the state and federal levels, or is it just recent and relative to this instance?

Mr Windsor—I have no doubt that it occurs in a subtle sense. I do not think you will ever remove that subtle political pressure from various political players. But in this instance, where Senator Sandy Macdonald’s behaviour was reported—someone had the guts to actually report it by way of a stat dec—it indicates an abuse of the process.

When a member of the government can say to a local government authority that the government was ‘disappointed with the election result’, or ‘if the New England electors choose to return Mr Windsor, they will have to live with the consequences’, or ‘the ministers of the government will not respond favourably to the request made of them’—there is a whole range of threats and bullying. It says here: ‘I am sorry for the problem but it is an issue council will have to deal with,’ as if he is purporting to be the government. The general manager penned a letter to the Prime Minister asking for process—and I know what the Prime Minister would have said—but, because of the political pressures, the letter was never sent. But it is in the submission. I believe that sort of behaviour should not be condoned. If it is happening in this example, where else is it happening in a not-so-subtle sense?

Senator MURRAY—You do not think this is not just a question of an overcompetitive and overtosteroned member or senator overstating the matter? Again, I draw your attention to the quote you gave earlier in your statement about the Hon. Julie Bishop, the Hon. Wilson Tuckey, Kevin Andrews et cetera all behaving very properly. You do not think this is just an individual instance?

Mr Windsor—In this case it is. I think there are more very decent people in the government than people who want to abuse their so-called powers, but to actually cajole and bully representatives of the community at a function for which they put in the majority of money, not the federal government—

Senator MURRAY—It would be extremely serious if it were government policy.

Mr Windsor—I am not alleging that.

Senator MURRAY—In that case, do you think there is any way in which the rules of the Senate or the House—perhaps you are not qualified to talk about the Senate—or some other rules could be strengthened to discourage overcompetitive members from overstating their situation, their position, their power and their rights?

Mr Windsor—I think in this case it is weak leadership.

Senator MURRAY—By whom?

Mr Windsor—By the leader of the National Party actually condoning this sort of behaviour.

Senator MURRAY—Do you know if he did condone it?

Mr Windsor—In one of the press releases in here he supports Senator Macdonald's representations. In a question that I raised in question time—and that is in here somewhere as well—about Senator Macdonald's behaviour he seems accepting of it.

Senator BARNETT—Senator Macdonald lives in Tamworth. That is his constituency. The witness has not advised the committee of that.

Senator MURRAY—That is not the point at issue.

CHAIR—Senator Barnett, would you cease interrupting. You are telling us what we all know. It is in the evidence, if you care to read it.

Senator McGAURAN—In regard to the Heffernan issue, it should be put on the record that you said that you were an Independent state member for Tamworth at the time.

Mr Windsor—Yes.

Senator McGAURAN—You still claim that Senator Heffernan made you an inducement. So that means that you would have to retire as an Independent state member, join the Liberal Party and then run for the federal seat. Do you see the process? It is nothing close to it. You were a state member.

CHAIR—Senator McGauran, it is not appropriate for you to make statements from the table whenever the full moon shines.

Senator McGAURAN—But he was not the sitting member for New England at the time. It is important.

Mr Windsor—I am quite happy to answer.

CHAIR—If you ask questions, I would like to ensure that these proceedings are conducted fairly and according to the rules. I will go to Senator O'Brien. I intend to adjourn for lunch at 1 p.m. It may be that we have not concluded Mr Windsor's evidence at that stage, and we do have two other witnesses that we need to deal with this afternoon, so the committee will meet in private session as soon as we adjourn at lunchtime to consider the rest of the program for today.

Senator O'BRIEN—Mr Windsor, you were aware, weren't you, that the Prime Minister called on you to name names during the election campaign after the allegations were made? Indeed, he called upon you to do that on 21 September at a doorstep in North Queensland. You were aware of that, weren't you?

Mr Windsor—Yes, Senator.

Senator O'BRIEN—Are you surprised that people on the coalition side are now complaining that you are actually naming the names?

Mr Windsor—I am. Just in defence of the Prime Minister, though: on the evening of the 20th, I think, I did an interview in my lounge room with Sky Channel, I think it was, on the phone and also something with Laurie Oakes. But I made the point then—and I still believe it—that I do not believe that the Prime Minister was aware of this particular issue, so I can understand why he would say, 'Name the names.' But I do feel that he may well have become aware reasonably soon after that, because the calls to name the names suddenly went away. The only people who were calling for the names at that stage were National Party people in the electorate. You might read some of the evidence or you might hear some evidence that indicates that various messages were being sent back to John Anderson.

Senator O'BRIEN—Did any other National Party member of parliament—senator or member—call on you to name names?

Mr Windsor—No. The Deputy Prime Minister did at one time call for the names, but I think it was in a sense that he was identifying himself—that he could be the only one who could deliver on that. He changed tack some time later, though, and said that he was unable to deliver on that—it would have to be the foreign minister or the Prime Minister. But the calls to name names went away fairly quickly.

Senator O'BRIEN—I just want to go to some of the facts about the equine centre proposal, because the matter has been dealt with a little bit tangentially in the evidence. You make reference to your close personal involvement with the proposal, and I think you have already intimated that you have been involved all along. When did you first become involved and in what capacity?

Mr Windsor—Here again I will get picked up on times. Probably about 12 years ago there was a proposal to do something with the equine centre in Tamworth. There is an equestrian centre at the showground and has been for years, and they have done a tremendous job garnering business and getting the national groups in. But over the years the major user groups have kept saying that the facility is not good enough, that if we are going to move into the next century we have got to improve the facility. So the P and A Society—the showground people—were aware of that and they were working to try and improve the facilities as well. So there has been this push over a number of years. I would say there have been probably three or four occasions. The last two were very serious occasions, though, and the last two have been very similar in terms of what the project actually delivers and costs—around that figure of \$14 million.

Senator O'BRIEN—Let us come to that. You have been a strong supporter of the project all along.

Mr Windsor—Yes.

Senator O'BRIEN—Has the project always had strong local support?

Mr Windsor—Within the community, excellent support; within the council, excellent support. People recognise the flow-on effect and the economic benefits, those sorts of things.

One of the jobs that I, quite successfully, I think, negotiated during the latter part of 2003 and early 2004 was to keep the national equine groups interested and get them to commit some of their own money to the project. If the national bodies were locked in, you really had a better argument to claim that you were the National Equine and Livestock Centre. But there has been a degree of politics at the showground level for some time, because they felt that they might have been missing out. They were involved in the original proposal and I think they are going to end up involved in this proposal too, which will be an excellent outcome. I could not say there has never been any local dissension, but it has mainly been about who would control it, not the dream and the vision.

Senator O'BRIEN—In terms of the chronology of the equine centre project and its bid for Regional Partnerships funding, I want to get your perspective as a local state and federal MP with a direct personal involvement. There was an application for funds for a project feasibility study late in August 2000, and funding was granted under the Regional Solutions Program in December 2000, wasn't it?

Mr Windsor—Yes. The former member for New England, Stuart St Clair, was involved in that grant, and the professional company Sinclair Knight Merz were engaged to do a business plan/feasibility study. They did an excellent job. I think the study cost \$33,000. This is one of the areas where I believe the political process has kicked in, because they did an assessment, a business plan, funded at a national level. It was also assessed by the New South Wales Treasury in relation to its viability, but because of the changing nature of local politics the Deputy Prime Minister, in this case, intervened again. Even though they had funded the original feasibility study, he intervened again and said, 'I think we'd better get someone to check on this,' and—

Senator O'BRIEN—Let us come to that. Let us just get this chronology down properly. The total cost of the project was in the order of \$14 million. Do you know what the mix of public and private funding was going to be to make up the \$14 million?

Mr Windsor—The original strategy—because I was one of the people who designed it—was to have government commit half the money. It was \$3.35 million from the state, \$3.35 million from the Commonwealth and then raise the balance. That is \$13.7 million. They raised the balance, or the other 50 per cent, from the industry and the local community, via the council but also via local contributions, for which Greg Maguire had been excellent in another project—raising local money for a local project, the entertainment centre. But it was to go down that road—and sponsorship. We believed that we could raise all of that money through that process. So we were not asking government for all of it; we were asking two governments for half of it.

Senator O'BRIEN—Is it the case that in mid-September 2001 a delegation visited Canberra and was squired around Parliament House by Senator Sandy Macdonald?

Mr Windsor—Yes.

Senator O'BRIEN—Who was on that delegation?

Mr Windsor—The chairman of the equine centre committee—at that stage Peter Botfield—who I believe was going to put a submission in to the committee.

Senator BARNETT—How do you know that?

Mr Windsor—He told me that he thought he would put—

CHAIR—Senator Barnett, do not interrupt.

Senator BARNETT—He has made—

CHAIR—Senator Barnett, you will have an opportunity to question—

Senator BARNETT—Oh, come on, Mr Chairman!

CHAIR—Senator Barnett! Order! You will have an opportunity to ask questions of this witness and you can ask that question later. You do not interrupt—

Senator BARNETT—It is on this—

CHAIR—It might be on this point, but you can come back to it at the conclusion of Senator—

Senator BARNETT—You are being unfair, Mr Chairman, as usual.

CHAIR—Order! I ask you to withdraw that, Senator Barnett.

Senator BARNETT—I withdraw.

Senator O'BRIEN—We were finding out who was on the delegation.

Mr Windsor—Peter Botfield was the chairman of the committee. Paul Anderson still is a Tamworth City Council director. They came to Canberra for a two-day meeting. I was not involved in that meeting. I was a state member of parliament. I was on that committee at that stage, and in fact I was instrumental in asking Peter Botfield, who was the original chair of the ACC in our area, to chair that committee. They came to Canberra; they visited Jackie Kelly's staff. The minister was not available at that stage because I think September 11 had just happened, and a whole range of things. So they met with senior staff. I think that was the time when there was this misunderstanding in terms of what would be available out of tourism. I think the maximum grant—they found out some time later—was about \$100,000. It was a wasted exercise, and wasted a lot of time in terms of the progress of the eventual submission.

Senator O'BRIEN—So they were seeking \$3½ million based on the Sinclair Knight Merz submission, and they were seeking it from tourism funding?

Mr Windsor—Senator Macdonald, I understand—

Senator O'BRIEN—I am asking what the delegation were asking for.

Mr Windsor—took them down that road to see Jackie Kelly's staff and they subsequently found out that there was not a large bucket of money they could apply for anyway, and that was

interpreted then as, ‘Why did they take us there? If they know the ropes, why are we going there?’ The interpretation had to be that it was more about slowing it down than speeding it up.

Senator O’BRIEN—You told us, I think, that Mr Anderson’s ministerial staff were briefed on the project during that visit.

Mr Windsor—That is my understanding. I was not at that meeting. There was also a meeting with the Deputy Prime Minister’s staff and a briefing.

Senator O’BRIEN—You won the seat of New England in November 2001?

Mr Windsor—Correct.

Senator O’BRIEN—What sort of swing did you need to gain the seat from the National Party?

Mr Windsor—To be quite honest, I cannot remember. I think I got about 46 or 47 per cent of the primary vote and ended up at 58 per cent, two-party.

Senator O’BRIEN—I suppose the history will tell us what that was. You defeated Mr St Clair. Is that the same Mr St Clair who later came to work for Mr Anderson?

Mr Windsor—Yes.

Senator O’BRIEN—The New South Wales government obviously did not consider your election a stumbling block to the project because in December 2001 it approved \$3.5 million as a grant, subject to matching Commonwealth funds for the project. That is right, isn’t it?

Mr Windsor—Correct.

Senator O’BRIEN—How did the New South Wales government assess the viability of the project?

Mr Windsor—The New South Wales Treasury did an assessment of the submission, ticked it off in terms of viability and committed the money in relation to the strategy I spoke about earlier—that the Commonwealth make a contribution, and then others.

Senator O’BRIEN—In your original submission you talk about a misunderstanding about the original submission for federal funding, which resulted in its resubmission on 24 January 2002. Can you explain that?

Mr Windsor—Sorry, Senator. The misunderstanding?

Senator O’BRIEN—About the original submission for federal funding and its subsequent resubmission in January 2002.

Mr Windsor—I am not totally on top of this because I was not directly involved, but I think it is covered in the submission. I was on that committee and we thought we were making a submission for funding. The misunderstanding that was alluded to by Senator Macdonald was that they had made application through the Budget Policy Division. I would have to check that. But essentially they had made applications in the wrong direction and had not been made aware that they were wasting time going in that particular direction.

Senator O'BRIEN—When they resubmitted it, was it the same proposal but just a redirecting of it?

Mr Windsor—Yes.

Senator O'BRIEN—In February 2002 Mr Anderson referred the submission to Professor Chudleigh. That decision was announced by Mr Anderson at a meeting in Gunnedah. Did you attend that meeting?

Mr Windsor—No.

Senator O'BRIEN—Is there any reason why you were not there?

Mr Windsor—Possibly I was not invited. I cannot absolutely remember that, but I doubt whether I would have been invited.

Senator O'BRIEN—How was Mr Anderson's decision to ask Professor Chudleigh to look at the funding submission greeted by those involved in the proposed project?

Mr Windsor—There were mixed feelings because, having gone through the Treasury in New South Wales and having had a federally funded grant to look at the business plan and feasibility study—and that study came up trumps—there was a view that there was no need to have another investigation. But with John Chudleigh having been appointed—he is well regarded—I think the view of the mayor and others was to welcome it: 'Let's get on with it. He'll find similar things to the New South Wales Treasury and the industry; he'll find that the project was, in fact, a goer.'

Senator BARNETT—But—

Senator O'BRIEN—Hang on, I am asking the questions, Senator Barnett.

CHAIR—Don't interrupt, Senator Barnett.

Senator BARNETT—But you—

CHAIR—Order! Senator Barnett.

Mr Windsor—I welcome it.

CHAIR—Mr Windsor, please be quiet for the moment. I am going to allow Senator O'Brien to finish his questions and then we will proceed to further questions from other senators. Senator Johnston, if you want to take up an issue that is raised in the questions and answers that are

taking place, you can do so when you get your turn—and do not interrupt. Interruptions are disorderly.

Senator BARNETT—Mr Chairman, I raise a point of order. My point of order is that it is usual practice in committee, where there is a flow-on question on one particular matter from a particular senator around the table, that that question be allowed. That is normal committee practice and I would ask that you allow that to happen.

CHAIR—Senator Barnett, it is also a courtesy that, if you wish to ask a question at that particular time, you request through the chair the opportunity to do that. You do not just barge in with your question before the witness has even answered the question. We are running well behind time. We have other witnesses to deal with today who have made particular travel arrangements. I would like us to continue in an orderly fashion.

Senator BARNETT—Mr Chairman, does that view reflect that we are going to cut short this hearing of Mr Windsor? Are you saying that right now?

CHAIR—I said early that we would consider the arrangements for a further hearing when we adjourn at lunchtime; we will discuss it. But there will be no attempt to prevent any senator from having an opportunity to ask Mr Windsor questions in this inquiry either today or on a future occasion, if that becomes necessary.

Senator BARNETT—Thank you.

Senator O'BRIEN—Professor Chudleigh found that the project was not financially viable, didn't he?

Mr Windsor—He did, which was quite a surprise.

Senator O'BRIEN—That is what I was going to ask you. Given what had taken place, how was that finding received by those involved in the proposed project?

Mr Windsor—Professor Chudleigh took a view or is purported to have taken a view—I do not know whether it was his personal view. When he was in Tamworth and I met with him, he seemed very supportive. His report, however, was based on the state and Commonwealth governments putting in their \$3.35 million and no-one else. He made some commentary about whether the industry was putting in money—or whatever—or whether the community might. The strategy that was designed, and had been ticked off at a state level, was to get a commitment from both governments and then raise the rest. Professor Chudleigh—and I hope I am not verballing him—I think made the assumption that the rest would be debt and, if that were the case, it would be hard—not impossible but difficult—in terms of viability. The council at the time was prepared to back the project. A sponsor was in the offing. If government in fact endorsed the project and there was a serious move towards the project actually happening, it would have been my view that the industry groups would have made a contribution. If you look at the submission that has just gone through and been approved, you will see that the industry groups put in about \$2 million. So, rather than Professor Chudleigh—I think this is important, Senator—

Senator O'BRIEN—I was going to ask you. Is that the key difference in the new submission, under Regional Partnerships, from the old submission?

Mr Windsor—Yes, essentially. Plus the Commonwealth put in nearly twice the amount that they were originally asked for, which was very kind of them.

Senator O'BRIEN—So the total value of the project did not change with the new proposal.

Mr Windsor—Not substantially.

Senator O'BRIEN—The amount of money sought from the Commonwealth did not change?

Mr Windsor—The more the merrier, of course.

Senator O'BRIEN—Yes, but I am asking if you know what was sought.

Mr Windsor—I think the original negotiation with government was for around \$4 million in this latest round of applications. I am not sure what the amount was that the ACC dealt with in the end.

Senator O'BRIEN—Neither are we, but we will try to find that out.

Mr Windsor—I am told \$6 million

Senator O'BRIEN—Let's find out. If you are not certain, we had better check that. What about personnel? Were there changes in the personnel pursuing the proposal: board structure, committee structure or the like?

Mr Windsor—Up until the stage of the Chudleigh report, Peter Botfield had been the chair of that committee. There was disappointment, and it fell flat for a while in relation to progress. At that stage, I became more prominent again in keeping the major industry groups together. I kept saying to them: 'Stick with this. If you guys stay together, we've still got a chance. If we can get the New South Wales government to break the nexus, we can actually raise the money in other ways.' So, at that stage—I think it was late 2003—I was meeting with Greg Maguire about whether he would be interested in taking over the chairmanship, which he agreed to do. I think in February he started to do that. I think the Premier came up and announced the board in April. So, in that sense, all the major players were still there—the council, the business community, the industry, and both the state and federal MPs were on the board as well.

Senator O'BRIEN—Did Mr Maguire become a member of the board and the chair at the same time, did he?

Mr Windsor—Yes.

Senator O'BRIEN—Or was he already on the board?

Mr Windsor—No, the original committee had faltered. He came in as chairman and formed the board, with some new people on it.

Senator O'BRIEN—You say you took more interest. What was your role in the project—that is, in a formal and an informal sense—over the period we are discussing?

Mr Windsor—Which period?

Senator O'BRIEN—In 2001, when you were elected, past the Chudleigh report and into this period when Mr Maguire became the chairman of the board.

Mr Windsor—I was on the original committee. When the rejection occurred I held the user groups together and still kept talking to the state government in particular about breaking the nexus. But I was also involved with getting Greg Maguire to come in in his professional capacity to chair it. It was with a view to his fundraising capacity too. He had done a good job on the entertainment centre previously. In my mind I had the view that, if we could put the same group of people together again and raise some of the money from the community, we could still do it without federal government funding, or with very little debt funding, which the project would have accepted. That, to my view, actually drove the Commonwealth back into the project more than anything else.

Senator O'BRIEN—You say in your submission that you did not resign from the board but, rather, you were removed. Is that right?

Mr Windsor—No, I was not removed. There has been a lot of press about the removal and voluntarily removing myself et cetera. At the 19 May meeting John Anderson expressed some concern about my involvement.

Senator O'BRIEN—You were told that at the 19 May meeting?

Mr Windsor—Greg Maguire told me at that meeting that Anderson had expressed concern about my involvement with the equine centre board. I stayed on the board and subsequently had meetings with Greg Maguire and others. My last board meeting was, I think, 30 July 2004. At some stage around then—and I apologise for not having the exact date and minute—John Anderson found out, or at least Greg told me that Anderson went—

CHAIR—You should always refer to him as either Mr Anderson or John Anderson.

Mr Windsor—I am sorry. The Deputy Prime Minister, Mr Anderson, went feral when he heard that I was still involved. I think there had been a presumption back in May when he had raised it with Greg Maguire that I would disappear. Greg informed me then, and I think I have the words in my submission: 'Sorry, mate, I had to remove you. I told him you weren't on it.'

Senator O'BRIEN—But you were on it—is that what you are telling us?

Mr Windsor—Yes. But after that—

Senator BARNETT—Chair, I did not hear the witness correctly. Did he say that Mr Anderson went feral or that Greg Maguire told him that Mr Anderson went feral? I could not hear that.

Mr Windsor—Greg Maguire told me that Mr Anderson went feral when he had found out that I was still involved in the process and in fact on the board. Greg informed me with words to this effect, and it is written here somewhere: ‘Sorry, mate, I’ve had to remove you from the board.’ Now, I was not particularly concerned about that.

Senator O’BRIEN—Just let me understand that. Did you understand Mr Maguire to be saying, ‘I have actually removed you from the board,’ or did you understand him to be saying, ‘I’ve told John Anderson that I’ve removed you from board to placate him’?

Mr Windsor—I think his words were along the lines that I was no longer on the board: ‘Sorry, mate, I had to remove you.’ It was after the event. I had been removed. But I did not argue. I did not want to be on that board after the funding had been approved anyway. I was only there to assist with getting the funding arrangements. In that sense, if being removed from the board was going to help, it was one less job that I had to do. But it is not correct to say that I voluntarily removed myself. There were words spoken between Mr Anderson and Greg Maguire that indicated that I was no longer there. Then I was informed that I was not on it. At that stage I stopped going to board meetings.

Senator BARNETT—Mr Chairman, I would like to ask the witness a question. Three minutes ago he advised the committee that he was ‘not removed’ from the board and now he has just said that he was removed from the board. I am seeking clarification.

CHAIR—I will allow that question.

Mr Windsor—I think I was saying something about the press. There has been some misreporting in the press in relation to this issue where the press have said that I voluntarily removed myself from the board. I did not voluntarily remove myself; I was informed by the chairman that there was some disquiet from the minister over my involvement on the board. Having assumed that I would have been removed after the 19 May meeting—and I had not been—Mr Maguire told him I was not on it. That is when I was informed: ‘Sorry, mate, I had to remove you.’ I did not go feral about that. If it was going to help the project, I was quite happy—

CHAIR—You have answered the question, as I understand it.

Senator O’BRIEN—We are just trying to use our time productively. You were effectively told by Mr Maguire that the project was threatened if you continued to be directly involved. Is that what you are telling us?

Mr Windsor—I am sorry, that the project?

Senator O’BRIEN—Was threatened if you continued to be involved?

Mr Windsor—There was that general feel to it, yes: we were getting close and, if you were not hanging about, you were better off not to be there.

Senator O’BRIEN—When did he tell you that? At the end of July in this conversation that you just—

Mr Windsor—I am not aware of the exact time. It must have been around then, because I was at a 30 July board meeting but I did not go to the 10 September one. So it would have been in that period of time.

Senator O'BRIEN—You say in your submission, and I am using the words of your submission, that it was 'common knowledge ... that Federal funding would not' be provided to the equine centre project while you 'maintained a close involvement' with it. Can you give us an explanation of what you mean by that? What does 'common knowledge' mean in your opinion?

Mr Windsor—There were various conversations that took place generally in the community. The understanding was that if Windsor was too close to it it was not going to happen. I know the Liberal senators will have a shot at me here, but various people have said to me socially—and Sandy Macdonald in particular said—'It's not going to happen whilst Windsor's involved.' But those people—and I have approached them—are not prepared to put that in some sort of documented form, so take that as you like.

Senator BARNETT—They are or not?

Mr Windsor—No, they are not.

Senator BARNETT—So these people are anonymous.

Mr Windsor—Yes, but I think—

Senator O'BRIEN—Senator Barnett, this is my question time and you will have a chance to examine later. You know that very well.

CHAIR—You can take these issues up later, Senator Barnett.

Senator O'BRIEN—Mr Windsor, have you or any other person known to you been counselled against making full disclosures of matters relevant to this inquiry, including matters concerning:

... the constitutionality, legality and propriety of any practices whereby any members of either House of Parliament are excluded from committees, boards or other bodies involved in the consideration of proposed projects, or coerced or threatened in an effort to prevent them from freely communicating with their constituents ...

Senator BARNETT—That is a long question.

Senator O'BRIEN—It is a long question, but I am quoting from something there, aren't I?

Mr Windsor—I think the Grace Munro example is a good example of where there was a quite deliberate attempt to remove the member from carrying out his duly elected duties and to pressure others not to include him. I think in relation to the equine centre there was also that subtle pressure—why is the local member on the board, particularly on a project that he championed for nearly a decade? In terms of the University of New England, I think it gets to the heart of the subtle and not so subtle pressures that were applied for favourable commentary on the delivery of funds. There are three examples that immediately come to mind.

Senator O'BRIEN—I think we will be pursuing that matter further. Mr Windsor, has your experience affected the way you promote the Regional Partnerships program in your electorate?

Mr Windsor—I guess to the degree that I realise there will be some degree of politics in relation to the funding arrangements. I made that fairly clear with the University of New England thing too, that even though I was involved at the start I did not take a prominent role in the middle because in that sense there was a better chance of getting an outcome. So in that sense I have had to change the way I operate in relation to trying to achieve likely outcomes. The open learning centre at Glen Innes was another example where there has been success. The National Party in particular were very much opposed to it, but the government ended up putting in some money in the end.

Senator O'BRIEN—Is your battle with the National Party and its members in government rather than the government?

Mr Windsor—The National Party have a view, and I can understand their view, that they would rather get rid of these pesky Independents. The strategy that they have adopted in doing that is essentially to try and buy the electorate rather than use constructive policies so that people actually follow them in a policy sense. I have found that most members of the government in this place, and I include the state parliament as well, have been very decent people to work with. Really, as a member of parliament that is all I want to do, to work with them. My relationship with the people who are prepared to work with me has been quite constructive. I am not saying we are getting any great favours done. But the National Party in particular have been out to reclaim the seat. They were unsuccessful at doing that, of course.

Senator O'BRIEN—Yes, spectacularly.

Senator BARNETT—I will start with a reference to a former member for New England, Ian Sinclair, who once upset the then Speaker of the House of Representatives, Joan Child, with inappropriate criticism that he had made outside the House. He went into the House subsequently and said—this is quoting from the *Hansard* on 16 September 1986:

Madam Speaker, I have apologised twice, and if you like I shall do it again. I apologise for the remarks I made and I withdraw them.

I want to put a proposition to you, Mr Windsor. It is very simple. If person A accuses persons B and C of criminal behaviour and that allegation and accusation are based on a conversation with person D, and subsequently B and C totally repudiate and deny any of the allegations and person D totally repudiates and denies any of the allegations, then should A continue in the public arena to make allegations against B and C of criminal behaviour or should A apologise profusely for besmirching the reputations of B and C? This is a hypothetical.

Mr Windsor—Person A should not lie. That is the answer to that question.

Senator BARNETT—Do you have any other comment?

Mr Windsor—No, that is the answer to that question.

Senator BARNETT—So you have no comment in terms of A making an apology?

Mr Windsor—Person A should never apologise if he was telling the truth.

Senator BARNETT—Do you have confidence in our police force and our legal system in Australia?

Mr Windsor—Generally, yes. That is why I do not lie to them.

Senator BARNETT—Earlier today a reference was made to the Australian Federal Police, that they had concluded their electoral bribery investigation. They make it very clear, and this is the Commonwealth Director of Public Prosecutions and the Australian Federal Police investigation: ‘None of the versions of the conversations related by any of the witnesses can amount to an ‘offer to give or confer’ a benefit ... Further, there is no evidence’—I repeat the words ‘no evidence’; it does not say ‘little evidence’ or ‘some evidence’—‘in this material of Mr Maguire having conspired with any other person to make an offer to Mr Windsor.’ That is dated 22 November 2004.

Mr Windsor—I did not refer it to the Federal Police. All I am saying is that, when the Federal Police were asked to investigate an allegation that was printed in the paper, I was not going to lie to them.

Senator BARNETT—So the Federal Police have made their investigation and when it says ‘no evidence’—

Mr Windsor—They have found that there is no evidence of a prima facie case of a criminal act, and I am pleased they found that, because I do not believe Greg Maguire—this is my view; I am not a lawyer—believes he was committing a crime when he raised those issues. That is the point I made in parliament: did these other people know that they were potentially committing a crime by asking someone else to deliver a message?

Senator BARNETT—Do you know the definition of ‘prima facie’?

Mr Windsor—No, I am not a lawyer.

Senator BARNETT—I have brought the Australian *Macquarie Dictionary* with me and I can tell you that it says ‘at first view or first instance before investigation’. So the Australian Federal Police did not even see there being any merit in taking the case any further—and you can look up this dictionary or any other for the definition of a prime facie case. It means it is without foundation, it is baseless and the accusations that have been made against two incredibly upstanding—I will comment further about that, but do you have a response?

Mr Windsor—The Australian Federal Police, as I understand it, are not denying that a meeting took place and that certain conversations took place.

Senator BARNETT—You have already got the dates wrong on your meeting, but go on.

Mr Windsor—They are not suggesting that those conversations did not take place. What they are suggesting—and I have only seen that one page, which I do not think is terribly sufficient; whether the Labor Party, who made the claim, have seen more evidence I do not know—on the basis of the reports by the four people who were there is that it did not breach the Electoral Act. They are not saying that a meeting did not take place or that certain words were not said. I guess in the end it may well have come down to a definition of a breach.

Senator BARNETT—You have made allegations of criminal activity. You have continued to make allegations of criminal activity in your submission—

Mr Windsor—I am not making allegations of criminal activity.

CHAIR—Order, Senator Barnett! You have just put that to the witness. As I understand the witness's evidence all throughout, he is not making an allegation of criminal activity.

Senator BARNETT—It is in his submission. It is also in the *Hansard*—‘bribery and corruption’ and calling them villains. Mr Windsor, you have just said you are confident in the police. I quote from page 85 of the *Hansard* of Monday, 29 November 2004:

They—

meaning the Deputy Prime Minister and Senator Macdonald—

may well have known about that result before the AFP came out.

What did you mean by that?

Mr Windsor—They may well have known.

Senator BARNETT—And what evidence do you have to support that view?

Mr Windsor—All I said was that they may well have known.

Senator BARNETT—Senator Murray and other senators have talked about your long career in politics. You are pretty hard-nosed; you have been around for a while. Is it your view that the Federal Police or any other police advise people in advance of making a conclusion on their investigation?

Mr Windsor—I do not know whether that happened or not, but I would not suggest that it could not happen.

Senator BARNETT—Why would you say that about the Deputy Prime Minister and Senator Macdonald?

Mr Windsor—They may well have known.

Senator BARNETT—How could they?

Mr Windsor—If someone told them.

Senator BARNETT—What evidence do you have to support your view?

Mr Windsor—If someone told them.

Senator BARNETT—Somebody in the police force?

Mr Windsor—They could have.

Senator BARNETT—In the Australian Federal Police, presumably, because they were undertaking the investigation, or in the office of the Commonwealth Director of Public Prosecutions—someone within those offices, perhaps?

Mr Windsor—It is a possibility.

Senator BARNETT—That is a very serious matter that you are raising before the committee, that the chief police force, the Australian Federal Police, or the Commonwealth Director of Public Prosecutions would act in such an inappropriate manner with regard to such an allegation.

CHAIR—Order, Senator Barnett! You are drawing a very long bow and making a conclusion about this witness's evidence which is a total misrepresentation.

Senator BARNETT—That is entirely untrue. My question is based on a quote from Mr Windsor in *Hansard*.

CHAIR—Mr Windsor has answered your questions which were in relation to his statement in the House of Representatives.

Senator BARNETT—I will move on. I think the point has been made.

CHAIR—You are here to ask questions of the witness, not to make points yourself.

Senator BARNETT—Yes, and I am moving to my next question because I think the point has been made. The Deputy Prime Minister and Senator Macdonald have both had their names dragged through the mud over the past many months, including during the election period. Their names have been besmirched and they have been linked with bribery and corruption, and the impact is not only on them but also on their families and on those who are associated with them. I can assure you there are many around Australia who feel very concerned about that. You have taken your case to the police, there has been an investigation and your case has been found wanting.

Mr Windsor—Correction! I did not take the case to the police. I would never have referred it to the police.

Senator BARNETT—Well, the matter has gone to the police, there has been an investigation and it has been found to be without foundation. The Deputy Prime Minister said publicly that in

16 years of public life he had never been subject to such a sensational attack on his integrity. Not only myself but also many in this parliament and around Australia are incredibly aghast at the—

CHAIR—Have you got a question, Senator Barnett? This is a very long introduction to a question. What is the question?

Senator BARNETT—Let me ask this question: why would the Deputy Prime Minister, John Anderson, with the support of Senator Macdonald, offer you, Mr Windsor, a posting overseas? Postings overseas go to people of standing and credibility, not to people who in the government's view are believed to be of low standing—

CHAIR—Senator Barnett, you are casting aspersions on a member of the other house, Mr Windsor. The question is really irrelevant.

Senator BROWN—It breaches the standing orders.

Senator BARNETT—The witness has said that he has been bribed—

CHAIR—Would you ask questions related to the terms of reference.

Senator BARNETT—Mr Windsor, why do you think you were offered, through Mr Maguire, a posting overseas?

Mr Windsor—I am reporting on a conversation with Greg Maguire. John Anderson has not been in touch with me to offer me anything other than to suggest I move out of the way on a few boards and things. I am not suggesting that he has made that approach but I am not going to lie about a meeting that I attended where those messages were delivered. There are a couple of conclusions in that: one, that the intermediary invented it on the spot—personally, I do not believe that—or two, that these people did actually ask him to do that. When confronted by the Federal Police to give a version of events, I was not going to lie. I am sorry, I am not going to lie to satisfy you.

Senator BARNETT—Does it sound odd or peculiar to you that you would be offered an overseas posting?

Mr Windsor—You probably did not hear my response, because I constrained it a little bit in parliament, but I was offended by it. So I did find it a bit odd, and I think I made the point: what lengths will these guys—I think I called them—go to to get rid of me?

Senator BARNETT—Do you think it also odd that there was a meeting for, I think you said, four to five hours—

Mr Windsor—That is what I was told.

Senator BARNETT—yes, that is what you advised the committee—in a budget week with the Deputy Prime Minister? Do you think that is a little bit odd? Or does that make sense to you as consistent with—

Mr Windsor—No, I did not find that odd at all, because John Anderson was in a fairly difficult situation coming into an election where he had made certain commitments or guarantees about the winning and losing of seats.

CHAIR—They were public commitments he made about the number of seats—

Mr Windsor—He had a view that, by certain strategic investments in people and in projects, he could possibly purchase the seat of New England. So that part of it I did not find strange.

CHAIR—Mr Windsor, I think you should withdraw that comment.

Mr Windsor—I do; I am sorry.

Senator BARNETT—Mr Windsor, at the beginning of your comments today I think you were talking about 16 May and you meant to say 16 September and got the date is wrong. I want to ask you some questions based on what you have said in *Hansard* on the public record about your recollections. I want to go initially to the *Hansard* of 29 November where you referred to the funeral of your friend Tony McGrane being on 20 September. On page 85 of *Hansard* you say, ‘That was the first day that particular issue became public’—the issue about the bribery and the inducement. I am just putting that to you. We all have your submission in front of us here, and in that you say that it was not 20 September, it was actually on 19 September that the *Sunday Telegraph* article was published and there were radio interviews relating to the truth of the article.

Mr Windsor—The issue of an intermediary approaching me was raised in the *Telegraph* in a very brief reference. The next day—on the 20th—people started calling for the names.

Senator BARNETT—So that is your explanation in terms of the dates being wrong. You have got the 19th and the 20th. Is that how you see the difference? It became public on the 19th, according to your submission, and you say it became public on the 20th, according to the *Hansard*.

Mr Windsor—I am pointing out—on the 17th in *Hansard*—it was in an article in the *Telegraph* on the 19th. It essentially became public on the 20th, though—that is when the public really got involved in the issue.

Senator BARNETT—On 29 November you said, on page 85 again—

Mr Windsor—I do not have a copy of it, I am sorry.

Senator BARNETT—Led me read it to you and see whether you can remember.

Mr Windsor—Can you just hold for a minute?

CHAIR—Senator Barnett can read it to you while your staff member is looking for it.

Senator BARNETT—It says:

That night, there were a number of abusive phone calls made to a number of people—

this is the night you were talking about—

Some of them were from one Greg Maguire, who was subsequently—after my speech last Wednesday—recognised as the man who was the intermediary.

I would like to know how many phone calls you received from Mr Maguire on that day.

Mr Windsor—One.

Senator BARNETT—Why did you say in the *Hansard* on the public record that some of them were from Mr Maguire?

Mr Windsor—Because other people had abusive messages. It is not for me to speak on their behalf.

Senator BARNETT—You said a number of abusive phone calls were made to a number of people, and then you said some of them—referring to the abusive phone calls—were from Mr Maguire.

Mr Windsor—That is correct.

Senator BARNETT—It does not seem consistent.

CHAIR—To clarify that: you are saying that you received one from Mr Maguire, but—as I understand what you are saying—other people presumably have informed you that they also received phone calls from Mr Maguire. Is that what you are saying?

Mr Windsor—Yes.

CHAIR—That is consistent with what you said.

Senator BARNETT—In your submission, you have said one phone call, but it seems in the *Hansard* it says several.

CHAIR—Senator Barnett—

Senator BARNETT—That is now clarified.

CHAIR—Senator Barnett, I ask you not to make statements during the course of the questions and answers about what your ultimate interpretation of the evidence is. The evidence is quite clear. If you read it—

Senator BARNETT—It is not quite clear. That is why I was asking the question to clarify it. We will move on.

CHAIR—It is now one o'clock so, as I said earlier that I intended to do, I will suspend the hearing for lunch.

Committee suspended from 1.01 p.m. to 1.49 p.m.

TICKLE, Ms Helen Laurie, Private capacity

CHAIR—I declare open the continuation of the inquiry into the Regional Partnerships program and welcome the first witness this afternoon, Ms Helen Tickle. I should just indicate that, in view of time constraints, the committee has decided to proceed this afternoon with evidence from Ms Tickle, followed by evidence from Mr Hall, and then, if time permits, we will resume hearing evidence from Mr Windsor.

Ms Tickle, thank you for appearing and for your submission. This is the second day of our hearing into the administration of the Regional Partnerships program and the Sustainable Regions Program. I should point out to you a number of things. The committee prefers that all evidence be given in public, but if at any particular stage a witness wishes that their evidence be heard in private the committee would consider the request at that time. I also note that you have provided a submission to the committee and originally requested that it be treated as in camera and that your evidence be heard in camera, but I understand that you are now quite prepared to proceed in public.

Ms Tickle—Yes, that is correct.

CHAIR—Senator Barnett has moved that Ms Tickle’s submission now be made public and Senator O’Brien has seconded that. There being no objection that is so ordered. I also point out that the evidence you give is protected by parliamentary privilege. This means that witnesses are given broad protection from action arising from what they say and that the Senate has the power to protect them from any action which disadvantages them on account of the evidence given before the committee. I remind witnesses that the giving of false or misleading evidence to the committee may constitute a contempt of the Senate. The committee also decided this morning, following a request from a member of the committee, that we would require all witnesses to provide their evidence on oath or by affirmation.

Senator BARNETT—Chair, that was a resolution of the committee.

CHAIR—I said the committee decided that following a request from a member of the committee.

Senator Barnett interjecting—

Senator CARR—It went wrong, didn’t it? Horribly wrong.

CHAIR—We will not debate that now, but there was a request—

Ms Tickle—I am happy to swear an oath.

CHAIR—I now ask an officer of the secretariat to administer the oath to you. Ms Tickle, I understand that you have made arrangements to fly out this afternoon, so we will endeavour to get through the questions as quickly as possible—but of course ensuring that you and senators

have the time to deal with issues that arise. I now ask you to state for the purposes of the *Hansard* record the capacity in which you appear today.

Ms Tickle—I am here in the capacity of being Tony Windsor’s campaign secretary—an honorary role, a role which I have held since he first stood for state parliament in 1991. I am also here in the capacity of having attended a meeting on 19 May where there were various issues discussed which you are all aware of. I am also here as a concerned constituent of the New England electorate, particularly in relation to funding arrangements—when and how funding is made available, particularly during election campaigns.

CHAIR—Thank you, Ms Tickle. You are appearing, then, in a private capacity; you are not appearing as a representative of any particular—

Ms Tickle—I am here in a private capacity. That is right.

CHAIR—I note from the submission that you also hold or have held certain other positions from time to time. Are there any additions or alterations that you wish to make to your written submission?

Ms Tickle—No.

CHAIR—I invite you to make a brief opening statement and then we will proceed to questions.

Ms Tickle—I will repeat what I said about the capacity in which I am here, and that is that as Tony Windsor’s campaign secretary since 1991, as a concerned constituent of the federal electorate of New England and also as having been in attendance at a meeting between several parties where various issues were discussed which you are aware of from my submission.

Senator JOHNSTON—Ms Tickle, what you have given us here in your submission—

Ms Tickle—I am sorry, I am a little deaf. I must point that out.

CHAIR—We can get the microphones turned up a bit.

Senator JOHNSTON—Is what you have given us with respect to your submission of 27 January what you told the police in this investigation?

Ms Tickle—Yes, that is what I told the Federal Police.

Senator JOHNSTON—When did you tell the Federal Police your side of the story with respect to the—

Ms Tickle—On 1 February I was interviewed by the Federal Police.

Senator JOHNSTON—On 1 February?

Ms Tickle—Sorry, on 1 October 2004.

Senator JOHNSTON—Did they give you a copy of what you had told them?

Ms Tickle—Yes, they did.

Senator JOHNSTON—Did that assist you to provide this submission to the committee?

Ms Tickle—I made sure of what I had said in that. There was far more detail in the police statement, and that is just a very brief overview.

Senator JOHNSTON—This is a brief overview?

Ms Tickle—Yes.

Senator JOHNSTON—Turning to the issue in paragraph 4—you have the document in front of you?

Ms Tickle—No, I do not, but I can get it.

Senator JOHNSTON—Here it is; it will be delivered to you.

Ms Tickle—Thank you very much.

Senator JOHNSTON—I refer to the matter contained in the first sentence of paragraph 4 which says:

At the meeting on 19th May 2004 Greg MacGuire said that he wanted to get us together to discuss the meeting held the previous week between himself, John Anderson and Sandy MacDonald ...

Do you clearly recall him saying that there was a meeting ‘the previous week’?

Ms Tickle—You have just asked me if what I have in here is exactly the same. As I said, it is not exactly the same. This is only an overview of it. In my statement to the police I said ‘last night’, because that is what I thought he said. But since then, of course, it has been clarified that the meeting was held the week before, the evening before the said people were in Tamworth for the budget briefing on the Friday morning.

Senator JOHNSTON—So you have changed your submission to fit the known facts?

Ms Tickle—No, not really. The point of the whole exercise is that the meeting took place. Sure, I thought it was the night before. Clearly it was not the night before, and that is all I have changed in there. It is on public record that the meeting was five days before.

Senator JOHNSTON—Let us just pause to deal with this.

Ms Tickle—I can see what you are trying to say, but—

Senator JOHNSTON—You told the police one thing with respect to your understanding of the meeting. You then, on 27 January, for the purposes of a submission to this committee, changed that because—

Ms Tickle—That is correct, because it is proven that that meeting between Greg and the parliamentarians was held five days prior.

Senator JOHNSTON—Where did you get the idea that the meeting had been held the night before?

Ms Tickle—I thought that is what Greg Maguire said, that the meeting was held the night before.

Senator JOHNSTON—But you now realise you were mistaken as to what he said?

Ms Tickle—No, not totally, because he could have said ‘the night before’. But he says he did not say ‘the night before’. He could have had a slip of the tongue—who knows?

Senator JOHNSTON—Is it the case that you are uncertain as to what he said?

Ms Tickle—I am certain of most things he said and, as I told the police, it is to the best of my recollection. It was not a meeting that I went to and ran away and took notes from.

Senator JOHNSTON—No, and it was a meeting some time ago, on 19 May. With respect to the question of a meeting being held the night prior to 19 May, you are uncertain as to your recollection of what Mr Maguire had told you?

Ms Tickle—My recollection was that he said it was the evening before. But then during our conversation with him, yes, he did say that they were there for the budget briefing. So clearly it was not the night before, it was several days before. That has been proven, and I can see what you are trying to say here. I am sure that he said ‘the night before’ but it has been proven that it was not the night before because the said parliamentarians were there for a budget briefing the next day. However, it is clear a meeting did happen, and I thought that that was perhaps the significant part of this.

Senator JOHNSTON—You have mentioned that Mr Maguire mentioned it was about a budget briefing.

Ms Tickle—The federal member and the senator were at a business breakfast on the Friday before 19 May, as is their usual practice. It involves invited businesspeople only and particularly National Party members. Not all people in the community get invited to that, so if you are fortunate enough to know that they are in town and fortunate enough to be on the invitation list, yes, you would know that they were in town for a budget briefing. It is a closed briefing on the budget, even though I am sure the whole area would like to be invited and be privy to a budget briefing the next morning.

Senator JOHNSTON—To just clarify this: you now understand that the meeting that Maguire was talking about was the budget briefing meeting?

CHAIR—Senator Johnston, I do not want to interrupt your questions but you are putting to the witness an assertion that is completely contrary to what she said. I understand that she is saying that the meeting Mr Maguire referred to took place the night before the budget briefing. Isn't that what you were saying, Ms Tickle?

Ms Tickle—That is what I am saying.

Senator JOHNSTON—The night before the budget briefing?

Ms Tickle—Yes. And that has been proven—it is in all their diaries. Someone has made a slip of the tongue somewhere along the line. I thought that he said 'the night before'. Clearly, it was not the night before. However, it is established that there was a meeting, and I thought that that was perhaps the significant part of my evidence—whether it be the night before or several days before. It has been proven what evening it was.

Senator JOHNSTON—Are there any other matters in this submission of 27 January which you now know are different from your understanding at 19 May?

Ms Tickle—No. I stand by my statement that I made to the police and nothing has changed. This is not my full statement I made to the police; it is merely a summary.

Senator JOHNSTON—'Discussions took place regarding strategies and conditions attached to the proposed announcement.'

Ms Tickle—That is correct.

Senator JOHNSTON—What do you mean by that?

Ms Tickle—I mean things that have already been made public in the media, and that is that Mr Windsor, as I have said there, take a back seat or, if you like, stand aside; that he was not to accept any of the kudos for the announcement—that it be a National Party or coalition announcement; and that, particularly leading up to the federal election, they did not want Mr Windsor to be in the front line of this at all but to take a back seat completely so that it looked like it was something that the coalition were providing for the electorate. The project, I might add, had been on the books for many years. Really, we had all hoped that it would be up and functioning by now if politics had not interfered 3½ years ago. It must be remembered that the submission of the proponents at the time was sufficient to satisfy the state government for them to commit \$3.35 million, but the federal government saw fit not to provide anything—the submission did not stack up for them.

Clearly it is political. The people in our electorate are not silly. They realise it is political. Obviously they have full faith in Mr Windsor. They have just returned him with an overwhelming majority, an increased majority. I do not think that there is any question about who people believe, who they place their faith in, even with the equine announcement leading up to a campaign, together with the university one. It certainly did not help The Nationals' causes. People are not silly. They realise what goes on. Of course there were conditions. They did not want Mr Windsor to have anything to do with it, even though he had worked very hard with a number of industry people. The industry people are people in the public, I might add, that did it

in their own time at their own expense, only to be told 3½ years ago that their application did not stack up; it was no good—but it was all right for the state government.

Senator JOHNSTON—‘The Nationals want the kudos.’ Mr Maguire said that?

Ms Tickle—Mr Maguire said that Tony would need to stand aside and not be present at the announcement, just to stand aside for the good of the project to get the project up and going.

Senator JOHNSTON—Did he use the word ‘kudos’?

Ms Tickle—He did not use the word ‘kudos’. That is my word to try to summarise—and I am sure you are all aware of what was implied.

Senator JOHNSTON—Was there a word he used that you can recall?

Ms Tickle—To be quite honest, it was implied: they want the credit. You know what I mean by that.

Senator JOHNSTON—I do.

Ms Tickle—As I said, I cannot hang off exactly every word, but it was, yes, for Tony to stand aside, not to be part of it, not to be part of the announcement. It is no secret. There was no mention made of all the hard work that Mr Windsor and others had put in behind the scenes towards the project. It was clearly something that The Nationals wanted to have and to be seen as providing all of this money for in the lead-up to a federal election—in the lead-up to trying to regain a seat which they had lost three years prior.

Senator JOHNSTON—Tell us what else was said at the meeting that you can recall.

Ms Tickle—Can you be specific? In which context, which area?

Senator JOHNSTON—Did Mr Maguire indicate that he thought that the situation with Independents was not working and that he was unhappy with the fact that Mr Windsor was not a member of a party?

Ms Tickle—‘Mr Windsor was not a member of the party’? I do not think I have said that. I did not say that.

Senator JOHNSTON—No, I am just asking you, from your memory: did Mr Maguire say that the Independent movement had not worked? Do you recall Mr Maguire saying that?

Ms Tickle—I do not recall exactly what he said about the Independent movement not working. He did say that in relation to the fact that we were not able to get the funding when Tony was an Independent. That is what he said—well, that is my understanding, anyway—as opposed to the whole Independent movement not working. He indicated, yes, that the National Party was very worried—that is no secret; it has been in the media—about losing another seat, particularly if somebody stood against Mark Vaile. They could not believe that we regained the state seat of Tamworth with an Independent.

Senator JOHNSTON—And that is your recollection?

Ms Tickle—Yes, he did say that the Independent movement was not working as far as gaining this sort of funding, this amount of funding, was concerned. In other words, if we had, in this case, a conservative member, we would be more likely to get the funding.

Senator JOHNSTON—Did he suggest that Mr Windsor should consider ‘rolling over to the party system’? Do you remember those words?

Ms Tickle—I cannot remember them. A lot was said. I cannot remember that. However, I would go on to say that I know Mr Windsor has been invited—if you need to be invited—to go back to the party system, National and Liberal, over many years. That is no secret, as it is no secret that it happens to many people out there.

Senator JOHNSTON—I want to talk about that meeting of 19 May. That is the crucial meeting when Mr Maguire was saying things—I want to clear up whether he asked Tony Windsor to consider leaving politics altogether. Do you recall the discussion?

Ms Tickle—Yes, I do recall that. I recall him saying, ‘They are so desperate they would offer you anything—a diplomatic posting.’ He said Senator Macdonald was on the sidelines saying, ‘Yes, we can arrange anything.’ So yes, I recall him saying that. I know that Tony was upset by that comment and I have said that in my police statement as well. I recall that he was offended by this. He actually swore. I did not catch what he said because he did not say it very loudly, but he is not a person who swears in front of women. In fact, it is the first time he ever has in front of me, and he turned to me and apologised. So, yes that is what was said and, yes, apparently they could offer him anything: ‘Whatever it takes’.

Senator JOHNSTON—Were the words ‘they would offer you anything’ the words that Maguire used?

Ms Tickle—Sorry?

Senator JOHNSTON—Were those the words that Maguire used: ‘they would offer you anything’?

Ms Tickle—As part of conversation, that is what he said. My recollection of it is that that is what was said.

Senator JOHNSTON—So he used the words ‘they would offer you anything’?

Ms Tickle—Implying they, the coalition—the people that he met with.

Senator JOHNSTON—Implying, yes. But you are certain about the words ‘they would’; correct? ‘They would offer you anything’ is what he said?

Ms Tickle—I recall that that was said.

Senator JOHNSTON—So he did not say, ‘They have offered you anything’?

Ms Tickle—I cannot recall whether he said ‘they have’ or whatever you are trying to ask me there.

Senator JOHNSTON—But your evidence in here—

Ms Tickle—But it was something that I know annoyed Tony because, as I said, he swore and he has never sworn in front of me in all the years I have worked with him.

Senator JOHNSTON—You have said in your submission to us that ‘they would offer you anything’ is what Maguire said.

Ms Tickle—He did say that. I am not saying that he did not say something else as well, but I know that he did say that for sure.

Senator JOHNSTON—Did you tell the police that?

Ms Tickle—Yes, I did.

Senator JOHNSTON—That Maguire said, ‘They would offer you anything’?

Ms Tickle—Yes, I did. That is in my police statement.

Senator JOHNSTON—You were a member of the National Party for some years?

Ms Tickle—Yes, a while ago.

CHAIR—Is your question ‘you are’ or ‘you were’?

Senator JOHNSTON—Were.

CHAIR—Thank you, I did not hear that.

Senator JOHNSTON—I think in your statement you set out the fact that your membership was back in the late eighties and early nineties, if my memory serves me correctly.

Ms Tickle—That is right. I was a very hard-working member of the National Party.

Senator JOHNSTON—I have no doubt.

Senator MURRAY—It was ‘84 to ‘91.

Ms Tickle—Yes.

Senator JOHNSTON—May I ask how your relationship with the National Party ended?

Ms Tickle—My relationship ended in the same way that hundreds upon hundreds of other people’s ended: it was during the preselection process of 1991 where there were tactics used to

try to prevent Mr Windsor being the selected candidate for the National Party, even though he had an overwhelming endorsement from the grassroots members of the National Party. I think it really did expose the whole preselection process, and people were annoyed. It is all there. People know what went on; it is well documented and recorded. That is when Mr Windsor stood as an Independent—

Senator JOHNSTON—And you supported him?

Ms Tickle—I supported him wholeheartedly. I was his campaign secretary and I helped coordinate the campaign.

Senator JOHNSTON—And you left the National Party in disgust at what you observed at the preselection process?

Ms Tickle—I resigned. Actually, during his preselection, my membership was still current but I then let it lapse.

Senator JOHNSTON—Is it fair to say that you let it lapse in disgust?

Ms Tickle—Yes.

Senator JOHNSTON—Is it fair to also say that you are still currently disgruntled with the National Party?

Ms Tickle—Disappointed, perhaps, more so than disgruntled, which is unfortunate because there is a common view that they are not there representing country people, which the party was originally formed to do. So, yes, ‘disappointed’ would be the word. I note that their funding leading up to the last campaign was virtually half of what it was for the previous term—this is nationally; the figures were in the paper only yesterday—so I am not the only disappointed or disgruntled person out there.

Senator JOHNSTON—When you made your submission to the committee and you signed it, I think, on 27 January, you were aware, were you not, of all the toing-and-froing, the press releases and the public remarks focusing upon what Mr Maguire had said at the meeting on 19 May? When you made your submission to us on 27 January it was in the full knowledge that all of this issue focuses upon what was said by Maguire at the meeting on 19 May. Is that true?

Ms Tickle—The whole of which issue? Are you referring to Regional Partnerships funding or—

Senator JOHNSTON—The issue of bribery and inducements and the role of the Nationals.

Ms Tickle—What was your question in relation to—just the inducements?

Senator JOHNSTON—When you made your submission to us on 27 January you knew that all the parliamentary statements by Mr Windsor and the police investigation for which you gave a statement on 1 October turned upon what Mr Maguire had said on 19 May 2004—correct?

Ms Tickle—Correct. But if you are implying that I hung on to every word Mr Windsor said on that Wednesday evening, let me say that I have not read what he said. I was at two different meetings that night and did not even listen to it.

Senator JOHNSTON—But when you made your submission to the committee you knew it was all about what Greg Maguire had said at the meeting?

Ms Tickle—Yes—that—but, as I said, I am also a constituent in the New England electorate, and I am not silly; I can see how politics is played. It is not all about the meeting of 19 May; it is—

Senator JOHNSTON—No, but with respect to the bribery and the police investigation it was all about what Maguire said on 19 May.

Ms Tickle—Yes.

Senator JOHNSTON—Thank you.

Senator MURRAY—Ms Tickle, I want to take you to item 5 of your submission where you say:

At this point in the conversation Greg then relayed that they would offer you anything. A diplomatic posting, or anything to step aside.

That is not in quotes, but I understand from your answers to Senator Johnston that you are saying that is an accurate recollection.

Ms Tickle—Yes. I am sorry; I did not put quotations marks there but I should have done so. I do not know what ‘anything’ would be.

Senator MURRAY—I want to know whether it is an accurate recollection.

Ms Tickle—It is an accurate recollection about ‘anything to step aside’.

Senator MURRAY—If that was an accurate recollection, there seem to me to be two possibilities: either that Mr Maguire said it without the approval of Senator Macdonald and the Deputy Prime Minister—in other words, in was his opinion—or that he was acting as a messenger and he was conveying an offer. What is your understanding? Is it your understanding that he was acting as a messenger and conveying an offer or that he was just offering an opinion or don’t you know?

Ms Tickle—My understanding of it is that it seemed obvious to me that Mr Maguire, Mr Anderson and Senator Macdonald must have discussed it in order for it to come up. The way it was said, I do not think it would be just something that he would think of out of the blue and make up himself. To me, there seemed like there had been discussions. Who knows? It is no secret that Mr Windsor has been offered to join parties before. So I do not know what the ‘anything’ would mean.

Senator MURRAY—It is impossible for you to put yourself in the mind of Mr Maguire, but I just want to check: he did not say ‘Mr Anderson and Senator Macdonald have asked me to offer’—

Ms Tickle—I do not recollect him saying that, but that is not to say that he may not have said it.

Senator MURRAY—You do not recollect him saying that?

Ms Tickle—He did say something about, ‘They have asked me’ but honestly, I cannot remember exactly what he said that they said to ask. At that point I know Tony dropped the swear word and—I am not quite sure—I do then remember him going on to say, ‘They would offer you anything—a diplomatic posting, anything.’

Senator MURRAY—So I am left with this summary. You are saying to the committee that the statement of yours that at this point in the conversation Greg then relayed, ‘They would offer you anything—a diplomatic posting or anything’ to stand aside is an accurate recollection—

Ms Tickle—I recall him saying that.

Senator MURRAY—But you do not recall him saying that Mr Anderson and Senator Macdonald had asked him to say that.

Ms Tickle—I do not recall that. As I said, I do not even recall Tony’s exact response to that—only that he swore. So it is something that I did not recall clearly, or hear clearly.

Senator MURRAY—Ms Tickle, I see you have 20 years experience in politics, and your brief summary indicates you are a person of some life experience and organisational experience. Do you have any legal training?

Ms Tickle—No, I do not.

Senator MURRAY—Are you familiar with the term ‘contemporaneous notes’?

Ms Tickle—No, I am not.

Senator MURRAY—Those are notes used frequently in legal matters where something has happened which could have a legal consequence and somebody takes notes at the time, knowing that later on they will be asked to recollect the events. Did you take notes of the conversation?

Ms Tickle—No. The only notes I took were mental notes. But, as I said, I did not think a lot about this offer. Offers have been made before. The equine centre funding has been going on for years. It just seemed more of the same to me. So no, I did not take them. I did not have a pen in my hand.

Senator MURRAY—We have been given evidence, on the record, by Mr Windsor earlier that, despite his very long experience in politics and his very deep life experience—and you have a similar long experience—he was not aware that to offer an inducement of this sort was a

criminal act, if it was offered. What you are doing—if I understand you correctly—is confirming that. Is it correct that none of you discussed after this meeting with Mr Maguire writing notes of the meeting?

Ms Tickle—I did not discuss this meeting with anyone. I went away, and I thought, ‘Oh, here we go again.’

Senator MURRAY—I just want to know about the three of you. Did the three of you write notes—

Ms Tickle—I did not discuss the content of that meeting with anyone. Prior to the police requesting us to make a statement, Tony did say to us, ‘You will probably receive a phone call from the Federal Police regarding the meeting we held with Greg Maguire.’ The contents of that meeting I have discussed with no-one—only the Federal Police.

Senator MURRAY—So you did not realise that, even if it had occurred, for a sitting member of parliament to be asked to stand aside and in return, to be offered a diplomatic post, would be a crime?

Ms Tickle—I did not realise that at all. As I said, it is on the public record that Mr Windsor—and probably other politicians out there too—have been made offers before. So no, I did not realise that would be a crime—very naïve of me. I did not realise that it was a criminal offence.

Senator MURRAY—And you can see that there is an appreciable difference between offering somebody a diplomatic posting in return for stepping aside from their post as opposed to recruiting them into a political party?

Ms Tickle—Yes, I can see that.

Senator MURRAY—Just finally to confirm, you have no evidence that Mr Maguire said that Mr Anderson and Senator Macdonald had asked him to say that?

Ms Tickle—I did not hear him say those exact words, but he obviously said something because he went on to say in the part that I did catch that they would offer a diplomatic posting or anything.

Senator MURRAY—Have any inducements of any kind—and I am not talking about the criminal type—ever been made to you given that you have been the secretary of the Gunnedah branch and Mr Windsor’s campaign secretary? If I understand correctly, you have been campaign secretary since 1991?

Ms Tickle—I have been his campaign secretary since 1991.

Senator MURRAY—As a political official, if I can call you that, have you experienced inducements? Do you regard it as common to the political world?

Ms Tickle—No, I have not.

Senator MURRAY—Nobody has ever said to you, ‘If you vote this way I’ll do that,’ or anything of that sort?

Ms Tickle—No, even though I have heard back from the parties that they do not know how we do it; they do not know how we achieved such a good result with the Independent movement and getting the Independents elected. But, no, I have never received an inducement of any sort and nor have I received any payment or anything in kind for anything that I have ever done. It is a completely honorary role.

Senator MURRAY—I might have misunderstood you earlier, but I thought I heard you say that everyone knew—or you knew or something like that—that Mr Windsor had been made various offers and inducements of various kinds over the years. Is that particular to Mr Windsor and not particular to politics? It has not happened to you?

Ms Tickle—It has not happened to me, no.

Senator MURRAY—Is it because of the particularly important situation that Mr Windsor is in as an Independent holding a critical seat?

Ms Tickle—Yes, he is a threat to the parties. That is well recognised and the Independent movement is gathering momentum because of the dissatisfaction, particularly in the country areas, with the performance of the coalition in relation to issues that voters feel important and because of the view that they should be represented better as a whole. Yes, obviously the public is behind Mr Windsor.

Senator MURRAY—That is all I have, Chair.

Senator BROWN—Thank you for your evidence, Ms Tickle. I have just got a couple of questions following up on what you have said, but, firstly, you have obviously got a close working relationship with Mr Windsor and very much believe in what you are doing. I would just like you to put into your own words whether you have any reason to believe that Mr Windsor could fabricate any matter that goes into the public arena and what you think about his integrity.

Ms Tickle—I know that Mr Windsor would not fabricate any matter. His integrity and honesty are held in the highest regard by the people in his electorate and, indeed, much wider than that. As we know, the people believe and trust in Mr Windsor. He has just been re-elected with an increased majority and I believe if a poll were held very soon he would be re-elected with an even greater majority. That is how much trust and faith people put in him, and they admire the fact that he does stand up for what he believes in.

Senator BROWN—If I heard you correctly, you said about the meeting with Mr Maguire on 19 May that he conveyed the message, ‘They’re so desperate they’ll offer you anything.’ That was conveyed to Mr Windsor. By ‘they’ are you referring to Mr Anderson and Senator Macdonald?

Ms Tickle—Yes, I am.

Senator BROWN—That was clear in what Mr Maguire was saying?

Ms Tickle—Yes. They were talking about this meeting held between them. They were very concerned, of course, that they may lose another seat, as I said. The year before they again lost the state seat of Tamworth to an Independent. The National Party held on to it for only a very short time. Yes, they were concerned. They were getting desperate; they realised their support was diminishing.

Senator BROWN—You say in paragraph 3 of your submission:

I have known John Anderson and Sandy Macdonald for 20 years from my association with the National Party, and I see them from time to time in the local area and at functions.

Does it surprise you that that message came from them to Mr Windsor, via Mr Maguire?

Ms Tickle—Yes, because they would not meet with Mr Windsor and discuss such things themselves. In fact, to my knowledge they do not meet with him and discuss anything for the good of our electorate. It is a case of just always trying to work against him, and it is very noticeable. As I said, the electorate knows that and re-elected Mr Windsor overwhelmingly. No, Sandy and John Anderson would not call a meeting with Tony and make him an offer. I would very much doubt that they would do that. They have chosen to come to town and place their trust in someone that I think they would barely know—and from there you have got it in front of you.

Senator BROWN—That ‘someone’ being Mr Maguire?

Ms Tickle—Yes.

Senator BROWN—Did I hear you rightly when you said that Senator Macdonald was quoted by Mr Maguire as saying: ‘Yes, we can arrange anything’?

Ms Tickle—Yes, he could offer anything.

Senator CARR—He was quite explicit about who it was who could offer anything?

Senator BROWN—It was Senator Macdonald who said that.

Ms Tickle—Mr Maguire relayed that Senator Macdonald said, ‘We could offer you anything.’

Senator BROWN—Did Mr Maguire relay any such statement from Mr Anderson?

Ms Tickle—I do not recall him saying that ‘Mr Anderson said’, but I do recall him saying that Mr Macdonald was chipping in his bit on the sideline during their conversation. So they must have been discussing it for Mr Macdonald to put in his bit about ‘Yes, they could offer you anything.’

Senator McGAURAN—Mr Chairman, I raise a point of order. A reference was made just then by Senator Brown to a quote, which was agreed to by Ms Tickle, in regard to Senator Macdonald. Could they reference that quote?

Senator BROWN—It was earlier verbal evidence from Ms Tickle that I was quoting there—it will be in the *Hansard*—and that is why I asked for confirmation.

Senator McGAURAN—It is certainly not in her submission. This is new evidence.

CHAIR—New evidence? I did not know that we had actually finished hearing Ms Tickle's evidence.

Senator McGAURAN—It is something you have left out of your submission.

CHAIR—There is no point of order.

Senator BROWN—Thank you. Mr Maguire was saying at that meeting that Mr Windsor should stand aside, that he should not be part of the announcement and that The Nationals want to be seen to be providing all this money. Can I go back one step: from your recollection, how long did this meeting take?

Ms Tickle—No more than an hour.

Senator BROWN—Was most of it given to Mr Maguire's relaying of the message, if you like, from the meeting of a few nights before?

Ms Tickle—Most of it was, yes, and also the strategies to be used for the equine centre funding announcement.

Senator BROWN—The impression we must all gain from this is: if Mr Windsor were to stand aside or at least take a back seat, the equine centre would get the funding.

Ms Tickle—The equine centre would get the funding. The Nationals were hopeful that it might look good for them and that they might somehow defeat Mr Windsor at the next election, which has already been held of course.

Senator BROWN—Thank you.

Senator CARR—Ms Tickle, you have said in your evidence today that the statement you have provided to the committee is a summary of the position you put to the Federal Police.

Ms Tickle—That is right.

Senator CARR—Are you aware of any other matters that have not been contained in this statement but that you would like to draw to the committee's attention?

Ms Tickle—No. There is nothing further that I would need to add to that.

Senator CARR—In relation to the operations of the patron senator scheme that the National Party currently has—

Ms Tickle—I am sorry?

Senator CARR—I think that patron senator scheme is the expression that has been used. Senator Macdonald's involvement in New England is on the basis that he is a patron senator for New England. Are you able to advise the committee of any other projects that Senator Macdonald has been involved in that reflect an attempt to influence proceedings in a party political manner?

Ms Tickle—The university project—the science and maths centre—was announced in the lead-up to the federal election. There was a sizeable ad in the local paper to say that it was thanks to the National Party that they received that funding. There were many people involved for a long time working very hard behind the scenes to get the project up and going. But, of course, they think the electorate is silly. They placed this ad in the paper—it was the university thanking the National Party for providing the funding for their centre at the university. That is one recent instance. But it is always very obvious in the media if there is any funding announced. Senator Macdonald does that, and he tries to get the media coverage for that. It is well documented that, in a recent instance, he even ordered Mr Windsor's name to be removed from a plaque for the opening. All of that is just so petty. People are sick of it. It is public money. We want better than that from our elected representatives. There was a paid ad in the newspaper to congratulate The Nationals on getting the funding for the university. People are not silly. Those are a few recent examples that I can give you.

Senator BARNETT—Ms Tickle, the other day I was at the office preparing to come home. I got a phone call from my wife and she said, 'Do you mind bringing home some bread?' I said, 'Sure, no problem—I will get it on the way home.' Twenty minutes later I left the office and drove home. Do you know what happened?

Ms Tickle—No, I could not imagine what happened to you.

Senator BARNETT—I forgot about bringing home the bread in the space of 20 minutes.

Ms Tickle—And you were probably in trouble for forgetting.

CHAIR—I bet he did not forget that.

Senator BARNETT—She was easy on me. She is a wonderful wife. I am happy to put that on the record. In the space of 20 minutes I had forgotten. You said that you had not had any meetings with anybody from the meeting in May until you prepared for your Federal Police interview report on 1 October. That is some five months. Prior to 1 October, of course, the allegations had come into the media. That is, just before that the allegations were made by Mr Windsor and reported in the media.

Ms Tickle—I think it was only a one-liner. It was not anything that was detailed. It was not detailed.

Senator BARNETT—I think it blew up after that, but at the particular time when it first started it was a few lines.

Ms Tickle—That was in September.

Senator BARNETT—That is right. And then it sort of blew up. You gave a report to the Federal Police on 1 October?

Ms Tickle—That is right.

Senator BARNETT—Did you receive any legal advice?

CHAIR—I am not sure if that is relevant.

Ms Tickle—No, I did not receive legal advice.

Senator BARNETT—That is fine. And then, on 27 January this year you did your submission, which, you say, is consistent with the report. That is again another four months from October. You said earlier in response to Senator Murray that you did not take notes because that is not the sort of person you are. Is it correct that you did not take any notes from the meeting?

Ms Tickle—I did not take any notes, only mental ones. But, as I said, it is something I put aside because I thought, ‘Here we go again.’ But I do recall.

Senator BARNETT—So you put it in the back of your mind?

Ms Tickle—That is right.

Senator BARNETT—And in October, some five months later, you wrote down what you could remember, gave it to the Federal Police and then, three to four months after that, you have done a submission, which is now before our committee, based on what was in the back of your mind.

Ms Tickle—Yes.

Senator BARNETT—You have known Senator Macdonald, you say in your submission, for 20 years?

Ms Tickle—That is right, since I moved to Gunnedah in 1984. The capacity is through the National Party.

Senator BARNETT—Do you know where he lives?

Ms Tickle—I have never been to where he lives but I know where he lives. The whole district would know where he lives—at Wallabadah Station. But I have never been to his property.

Senator BARNETT—Do you know where his office is located in Tamworth?

Ms Tickle—Yes. I knew where it was in Singleton as well.

Senator BARNETT—Do you bump into him from time to time at community events?

Ms Tickle—Yes, I certainly bump into him in the street. I also get invited to a number of business functions, and sometimes he is there. So I will sometimes see him at those functions—not a lot of times, but I have seen him at business functions.

Senator BARNETT—From what you know from around the town, from talking to people, and from bumping into him in other places, is he reasonably active in that part of the world?

Ms Tickle—He tries to be. I understand from a lot of people who have been to his office that they are satisfied with the service that they receive in regard to everyday inquiries that relate to his role in the Senate. He has staff who handle those inquiries. I am sure he must have some influence over that. I have heard many people say that they have received information from his office and they are very satisfied.

CHAIR—Is this leading somewhere, Senator Barnett? Do you have a question that relates to the terms of reference?

Senator BARNETT—That is all, thank you.

CHAIR—I could ask you about the results of the 1998 Senate election but I won't. Senator Murray, I think you had another question.

Senator MURRAY—Ms Tickle, you said you have known Greg Maguire for about 17 years?

Ms Tickle—That is correct.

Senator MURRAY—If I recall correctly, you have not told the committee your opinion of Mr Maguire. Since his veracity is important, it is useful to get the impression that others have of him. Mr Windsor gave us his impression of Mr Maguire. What is your opinion?

Ms Tickle—All I can say is that he is a well-known businessman, and that is all I am prepared to say. Yes, I have known him for that period of time, since he opened the Powerhouse motel in Tamworth. In fact, I attended the first function in his establishment. I see him from time to time. I attend functions at his establishment. I rarely see him around the town; it is mainly at his establishment. He keeps to himself a lot. That is all I am prepared to say—that he is a well-known businessman.

Senator MURRAY—From your personal experience, do you regard him as a person of honesty and integrity or a boastful person? Does he big-note himself? What sort of person is he?

Ms Tickle—I am not prepared to answer questions pertaining to his character.

Senator McGAURAN—That has not stopped you reflecting on so many others.

Ms Tickle—I do not believe I have to.

CHAIR—Order! The witness has declined to answer the question other than in that way, Senator Murray.

Senator MURRAY—That is fair enough. I just wanted to put it to you in the context of that statement I focused on:

At this point in the conversation Greg then relayed that they would offer you anything. A diplomatic posting, or anything to step aside.

He was either told to say that or he said it. If you were to say to us that he is a person of honesty and integrity, or alternatively if you were to say that he is boastful and a big-noter, it would affect our understanding of how you would have seen him in context. But I accept that you are not prepared to say anything further.

Ms Tickle—I am only prepared to say that he is a well-known businessman.

Senator MURRAY—That was the context.

Senator McGAURAN—I want to add to the excellent point made by Senator Murray. He either was told to say it or he said it. If he was told to say it, do you think he would walk into a room with two witnesses of Mr Windsor's in the room and say it?

Ms Tickle—Why not? It was with regard to running his election campaign.

Senator McGAURAN—For such a matter of gravity and illegality, do you think he would have two witnesses, particularly one like yourself?

CHAIR—Order, Senator McGauran!

Senator McGAURAN—Come on! Be real. You have not been real—

CHAIR—Senator McGauran, you are out of order! You are making a complete fool of yourself, the way you are carrying on defying the chair. You are asking the witness to speculate on what was in the mind of Mr Maguire—

Senator McGAURAN—We have been speculating for the last—

CHAIR—Senator McGauran, would you please be quiet while I am speaking! I am the chair of this committee, in case you have not noticed. You are asking the witness to speculate on what was in the mind of Mr Maguire before he attended the meeting. That question is totally irrelevant to the terms of reference. Are there any further questions? No. Then I thank you for coming today, Ms Tickle. I know that you have had a trying time getting here with the interruptions to planes due to the weather. Thank you for your submission and for your evidence.

Proceedings suspended from 2.46 p.m. to 2.54 p.m.

HALL, Mr Stephen Neville, Private capacity

CHAIR—I resume this hearing of the Senate Finance and Public Administration References Committee and welcome Mr Stephen Hall to the hearing. The hearing is inquiring into the administration of the Regional Partnerships program and the Sustainable Regions Program. I am sure you are aware of that. You have made a submission to the inquiry which at this stage has not been made public—we will deal with that in a moment. I advise you that evidence given to the committee is protected by parliamentary privilege. This means that witnesses are given broad protection from action arising from what they say in the evidence they give and that the Senate has the power to protect them from any action which disadvantages them on account of the evidence given before the committee. I also remind you, as we do all witnesses, that the giving of any false or misleading evidence to the committee may constitute a contempt of the Senate. We do prefer to conduct our hearings in public. If there are at any stage matters which you wish to discuss with the committee in private, we would consider the request at that time. But, as I said, we do prefer to conduct the hearings in public. You have provided us with a submission which you initially provided to us in confidence. I understand that you are now prepared to give your evidence in public and for your submission to be made public.

Mr Hall—That is correct.

CHAIR—It has now been moved by Senator Murray and seconded by Senator Carr that the submission from Mr Hall be made public. There being no objection, it is so ordered. A further matter is that this morning the committee decided that all evidence by witnesses to this inquiry should be given either under oath or by way of affirmation and that that decision should apply to all witnesses. It is not the normal practice, but the request was made for evidence to be given by some witnesses in that form and the committee met and decided as I have just indicated. As I said earlier, whether or not people give evidence under oath or affirmation, if the evidence is false or misleading the committee can deal with that as a contempt. I now ask the secretary to administer the oath or affirmation to you.

Mr Hall, you have provided a submission which has now been made public and we thank you for that. Do you have any comments to make on the capacity in which you appear today before the inquiry?

Mr Hall—I was Tony Windsor's campaign manager at the last federal election and a witness to discussions that took place between Mr Windsor, Mr Maguire, Ms Tickle and me.

CHAIR—Are there any errors or omissions in the written submission that you have provided that you wish to address?

Mr Hall—No.

CHAIR—I now invite you to make some brief opening remarks and we will then proceed to questions. I understand that you are booked to fly out at 5 o'clock. Is that correct?

Mr Hall—That is correct.

CHAIR—We will endeavour to ensure that you make your plane. Do you have an opening statement to make?

Mr Hall—I do not have an opening statement to make.

CHAIR—We will proceed to questions.

Senator O'BRIEN—Mr Hall, you have provided the committee with a detailed account of your conversations with Mr Greg Maguire. I want to know how you recorded those conversations such that you could reproduce them in the detail evident in your submission.

Mr Hall—I made notes of those discussions, and I recall them because they happened within a very brief period of time.

Senator O'BRIEN—Those notes were made contemporaneously with the meetings or the telephone conversations?

Mr Hall—The Federal Police asked me to make notes of my discussions. When they rang me, they asked me to make notes before they came to interview me.

Senator O'BRIEN—Your submission states that during the meeting on 19 May last year Mr Maguire asked Mr Windsor what it would take to get him to vacate the seat. You say that Mr Maguire also told you and Mr Windsor that Mr Anderson was concerned that if he approved funding for the project Mr Windsor would take the credit. Do you stand by that claim?

Mr Hall—That is correct.

Senator O'BRIEN—Did you have any contact with Mr Maguire about funding for the equine centre or the alleged inducement for Mr Windsor to quit his seat between 19 May and 20 September 2004?

Mr Hall—No.

Senator O'BRIEN—So that conversation did not arise again after 19 May until—

Mr Hall—No, it did not.

Senator O'BRIEN—According to your submission, on 20 September last year you had what I will describe as a lively conversation with Mr Maguire. You say he claimed that Mr Windsor was about to go on the ABC and expose the fact that Mr Anderson had made him an offer to vacate the seat. Am I correct in understanding that at that point there had been no public mention of Mr Maguire at all?

Mr Hall—I do not believe so.

Senator O'BRIEN—What did Mr Windsor say on that bulletin?

Mr Hall—I am sorry?

Senator O'BRIEN—What did Mr Windsor say on the ABC news bulletin?

Mr Hall—I actually do not recall what Mr Windsor said on the ABC on that news.

Senator O'BRIEN—Your submission says that on 21 September Mr Maguire conveyed advice from Mr Anderson that Mr Windsor should pull his head in, as this was bigger than both of them. Were those Mr Maguire's precise words?

Mr Hall—Yes, he asked me to convey the message that it was bigger than both of them.

Senator O'BRIEN—Did he say that he should pull his head in?

Mr Hall—I do not recall him saying that.

Senator O'BRIEN—What did you understand Mr Maguire to mean?

Mr Hall—I understood Greg was asking me to convey a message to Tony that it was bigger than both of them and that Tony should back off on the issue.

Senator O'BRIEN—'Bigger than both of them'—what did that convey to you?

Mr Hall—That it was a major political issue.

Senator O'BRIEN—And Mr Maguire said that he would not be the person to bring the Deputy Prime Minister down.

Mr Hall—Yes, he did.

Senator O'BRIEN—Those were his words, or words similar to that?

Mr Hall—They were very similar to that. He said to me that he would not be the person to bring the Deputy Prime Minister down and that he would lie to protect himself and the funding of the equine centre.

Senator O'BRIEN—I go to the contact on 23 September which was a meeting between yourself, Mr Windsor and Mr Maguire. You state that at that meeting Mr Maguire conveyed a message from Mr Anderson that Mr Windsor should back off as the matter was bigger than both of them. So it is your submission that Mr Maguire used the same phrase on both occasions and directly linked them to Mr Anderson?

Mr Hall—Yes.

Senator O'BRIEN—On both occasions?

Mr Hall—On both occasions.

Senator O'BRIEN—In that discussion on 23 September you indirectly quote Mr Maguire as saying that he would lie to the Federal Police to protect Mr Anderson as he would not bring him down, which is quite an extraordinary statement to make. At that meeting you say he also said that he would speak to Mr Anderson about backing off on the call for Mr Windsor to name those offering the inducement. He then called you on the morning of 27 September advising that he had spoken to Mr Anderson and Mr Anderson had agreed to stop calling for names. I ask you: do you stand by these and other claims made in your submission?

Mr Hall—Yes, I do.

Senator O'BRIEN—Can I go to your interview with the Australian Federal Police. Did that interview concentrate on the meeting of 19 May, or did that interview cover the subsequent conversations that you had with Mr Maguire? I am referring in particular to those conversations starting on 20 September last year.

Mr Hall—No, the interview with the Federal Police concentrated on the meeting of 19 May.

Senator O'BRIEN—I see. What information about those subsequent contacts did you provide to the AFP and what information did they seek?

Mr Hall—The information sought by the Australian Federal Police in that meeting was had I discussed the issues of 19 May meeting with anybody else, to which I responded that I had discussed them with Greg Maguire, Tony Windsor and Helen Tickle, and the questioning did not go any further.

Senator O'BRIEN—They did not ask you about these subsequent conversations?

Mr Hall—No, they did not.

Senator CARR—What you are saying here is that on three occasions Mr Maguire said to you that he was prepared to lie to the Federal Police to protect himself, the Deputy Prime Minister and the project. That is the thrust of what you are saying to us today.

Mr Hall—Yes, I am, Senator.

Senator CARR—On three occasions: 21 September, 23 September and 7 October.

Mr Hall—That is correct, Senator.

Senator CARR—And the Federal Police were not aware of that.

Senator O'BRIEN—They did not ask about it. That is the point of my question. They did not ask anything about subsequent events.

Mr Hall—That is correct. They asked if I had discussed the 19 May meeting with anybody else, and when I said I had discussed it with Greg Maguire, Tony Windsor and Helen Tickle that was the end of the discussion.

Senator O'BRIEN—Did you think that was strange?

Mr Hall—At the time, no, I didn't.

Senator O'BRIEN—Does it now seem strange to you that they did not pursue all of the events that might be relevant to understand the conversation of 19 May?

Mr Hall—Senator, I have not thought about that.

Senator O'BRIEN—Absolutely no doubt. Do you have a copy of your statement to the Australian Federal Police?

Mr Hall—I do.

Senator O'BRIEN—And does it record that part of the discussion which goes to the evidence that you have just given, that you had discussed the matter?

Mr Hall—No, it does not.

Senator O'BRIEN—It does not record that?

Mr Hall—No, it does not.

Senator O'BRIEN—Yet that took place in the interview?

Mr Hall—The question I was asked by the Australian Federal Police is had I discussed the meeting of 19 May with anybody else.

Senator O'BRIEN—Yes.

Mr Hall—I advised the Australian Federal Police that I had discussed it with Tony Windsor, Greg Maguire and Helen Tickle, and that is not recorded in my statement made to the police.

Senator O'BRIEN—Was that at the end of the interview or during the interview?

Mr Hall—I actually believe it was at the end of the interview.

Senator O'BRIEN—Does the statement purport to be a record of a tape recording or is it someone's notes? Do you know?

Mr Hall—No, I believe it was notes. I do not believe it was a taped interview.

Senator O'BRIEN—You don't think it was taped?

Mr Hall—I do not believe it was a taped interview.

Senator O'BRIEN—Perhaps we should have asked other witnesses about that. Can I go to the telephone conversation that you had with Mr Maguire on the morning of 7 October. Am I correct in saying that Mr Maguire knew when the AFP had interviewed Ms Tickle and that he said the AFP was to interview you on that day? Did the AFP interview you on the same day?

Mr Hall—On the same day of 7 October?

Senator O'BRIEN—Yes.

Mr Hall—Yes.

Senator O'BRIEN—Is it the case that he sought to persuade you to back his preferred version of events, saying that it would be the easiest way for both Mr Windsor and Mr Anderson?

Mr Hall—Yes, he did.

Senator O'BRIEN—Is it the case that he threatened that he would finish you if you did not provide what you would consider to be false evidence to the Australian Federal Police?

Mr Hall—He made that statement over the phone.

Senator O'BRIEN—He used those words?

Mr Hall—He used those words.

Senator O'BRIEN—Mr Hall, these are very serious allegations against both Mr Maguire and Mr Anderson. Do you have anything to gain by making them other than discharging your obligation to assist this committee in the conduct of its inquiry?

Mr Hall—I have nothing to gain from it.

Senator O'BRIEN—Nothing at all?

Mr Hall—Nothing at all.

Senator O'BRIEN—Has any person or have any persons counselled you against making a full and frank disclosure of these matters to this committee?

Mr Hall—I have sought legal advice on these disclosures.

Senator O'BRIEN—Yes. Has any person other than your legal adviser—and I do not propose to ask anything about your discussions with your legal adviser—counselled you against making a full and frank disclosure of these matters to this committee?

Mr Hall—No, Senator.

Senator O'BRIEN—You may recall an interview with Councillor James Treloar on the ABC *AM* program on 19 November last year. In that interview, Councillor Treloar, the Mayor of Tamworth, spoke on behalf of Mr Greg Maguire saying that corruption allegations concerning the offer to Mr Windsor were a misunderstanding. He said that Mr Maguire was never acting for anyone other than himself. This seems to contradict the evidence that you have given to this inquiry. What do you say about that?

Mr Hall—I did not hear that interview with James Treloar.

Senator O'BRIEN—How well do you know Councillor Treloar?

Mr Hall—I know James Treloar.

Senator O'BRIEN—Have you had any discussions with him in relation to this matter?

Mr Hall—I have.

Senator O'BRIEN—What was the nature of those discussions?

Mr Hall—James Treloar rang me the night that it was being made public by Mr Windsor in parliament as to who the person was who delivered the message and James said that he felt for both Helen Tickle and I. I advised James that I would not be making any comment on it publicly.

Senator O'BRIEN—What is Mr Treloar's relationship with Mr Maguire?

Mr Hall—I do not know.

Senator JOHNSTON—With respect to your submission to this committee, save for the matters set out on pages 3, 4, 5, 6 and 7, is that what you told the police?

Mr Hall—That is what I have told the police.

Senator JOHNSTON—So all the matters down to when you were returned back to your office via the Farrer Memorial Agricultural High School—

Mr Hall—Yes, that is correct.

Senator JOHNSTON—are the matters you told the police?

Mr Hall—Yes.

Senator JOHNSTON—In this form?

Mr Hall—I believe so, yes.

Senator JOHNSTON—So did they ever prepare a statement for you?

Mr Hall—Yes, I signed the statement.

Senator JOHNSTON—You signed a statement that was typed?

Mr Hall—Yes.

Senator JOHNSTON—Good. And did you have that statement with you on 28 January when you wrote to Mr Sands of this committee?

Mr Hall—Yes, I did.

Senator JOHNSTON—And did you make reference to it?

Mr Hall—Yes, I did.

Senator JOHNSTON—You now know that the statement about having a meeting with Deputy Prime Minister John Anderson, his personal assistant and Senator Sandy Macdonald ‘the night before’ is incorrect?

Mr Hall—I understand that Greg Maguire or the Deputy Prime Minister made a public statement that they did not meet the night before.

Senator JOHNSTON—Where did you get that information from?

Mr Hall—The media.

Senator JOHNSTON—Let me rephrase that question. I apologise to you; that was a bad question. When you had written in your statement ‘the night before’ where did that come from?

Mr Hall—Greg Maguire told me that at that meeting that we had.

Senator JOHNSTON—What were his exact words? Do you recall?

Mr Hall—He said that he had had a meeting the night before with the Deputy Prime Minister, John Anderson, his personal assistant and Senator Sandy Macdonald.

Senator JOHNSTON—So we now know that that is untrue.

Mr Hall—Either the Deputy Prime Minister, John Anderson, or Greg Maguire have made that statement. I have no facts to know whether it is true or untrue.

Senator JOHNSTON—But the Deputy Prime Minister has told the parliament that he was in Bundaberg that night, on 18 May 2004.

Mr Hall—I have not watched parliament’s proceedings.

Senator JOHNSTON—Do you know of any reason why Mr Maguire would mislead you, Ms Tickle and Mr Windsor on a subject of that nature?

Mr Hall—No, I do not.

Senator JOHNSTON—Is there any explanation you can think of for why he would say ‘the night before’, as you clearly say that you heard him say, and yet it could not possibly have been the night before?

Mr Hall—No.

Senator JOHNSTON—Further down, you say on page 2, in the fourth paragraph:

Greg Maguire said to Tony Windsor that the independent movement has not worked ...

Those were the words used by Mr Maguire?

Mr Hall—I believe so.

Senator JOHNSTON—I take it he was expressing his own personal opinion at that time.

Mr Hall—He may have been.

Senator JOHNSTON—Okay.

Mr Hall—I recall he made that statement.

Senator JOHNSTON—And he made it in the bald terms that you have written here: ‘Greg Maguire said to Tony Windsor that the Independent movement had not worked.’

Mr Hall—That is what I recall.

Senator JOHNSTON—What was Mr Windsor’s reaction to that?

Mr Hall—I recall that what Greg Maguire said—and it is in paragraph 4 of my statement. He made that statement, and then Tony Windsor reacted according to paragraph 5 of my statement.

Senator JOHNSTON—So is it fair to say that, when Mr Maguire said to Mr Windsor that the Independent movement had not worked, Mr Windsor was irritated and annoyed?

Mr Hall—I believe Mr Windsor was irritated and annoyed about the whole statement made by Greg Maguire.

Senator JOHNSTON—Okay, we will come to this. ‘The Independent movement had not worked.’ Mr Maguire had been a supporter in the past of Mr Windsor, had he not?

Mr Hall—That is correct.

Senator JOHNSTON—You have been a supporter of Mr Windsor in the past, prior to this time.

Mr Hall—I have.

Senator JOHNSTON—Tell us in what capacity.

Mr Hall—I have been his campaign manager in the last two federal elections, and in two of the three state elections I was his campaign treasurer.

Senator JOHNSTON—And you are aware of Mr Maguire’s support of Mr Windsor in those campaigns.

Mr Hall—I am.

Senator JOHNSTON—Was he a donor, in terms of money?

Mr Hall—I am not aware of that.

Senator JOHNSTON—Did he assist in fundraising for Mr Windsor?

Mr Hall—Yes, he did.

Senator JOHNSTON—He did. Let us leave it at that. You then go on to say that, after he mentioned the Independent movement not having worked, he ‘asked Tony Windsor would he consider rolling over to the party system’. The words ‘rolling over’—did you hear those words?

Mr Hall—That is what I recall hearing.

Senator JOHNSTON—So Maguire said the words: ‘Would you consider rolling over to the party system’? He did not say ‘to the National Party’; he said ‘the party system’?

Mr Hall—That is what I recall.

Senator JOHNSTON—‘Or leaving politics altogether’?

Mr Hall—That is what I recall.

Senator JOHNSTON—This is crucial. You then say that he:

... asked Tony Windsor what it would take for him to consider leaving politics ...

Mr Hall—That is correct.

Senator JOHNSTON—Are those the exact words he used? The words Greg Maguire said were: ‘Tony, what would it take for you to consider leaving politics?’

Mr Hall—I recall that Greg Maguire asked Tony what would it take for him to consider leaving politics and would he be interested in a diplomatic or trade posting overseas.

Senator JOHNSTON—And they are the words that you heard?

Mr Hall—That is what I recall.

Senator JOHNSTON—All right; that is good. He then said:

... either could be arranged as the Government makes 500 such appointments a year.

Mr Hall—I recall that.

Senator JOHNSTON—Nowhere in that sentence—and you have given me the words, word for word—

Mr Hall—Yes.

Senator JOHNSTON—does he say that John Anderson or Sandy Macdonald ‘told me to tell you that’, does he?

Mr Hall—No, it does not.

Senator JOHNSTON—Is it possible, Mr Hall, that Mr Maguire wanted to remove Mr Windsor from the board of the equine centre—the equine development project, whatever it was—and was simply seeking to sheet the blame home to The Nationals?

Mr Hall—That is a possibility, yes.

Senator CARR—Did you have reason to believe that that was the case at the time this discussion took place?

Mr Hall—I do not recall it being discussed at the meeting by either Tony Windsor or Greg Maguire that he needed to step down from the equine centre board.

Senator CARR—When he said that he had a conversation with Mr Anderson and Sandy Macdonald, did you believe him?

Mr Hall—I did.

Senator CARR—Why did you believe him?

Mr Hall—He made the statement, Senator.

Senator CARR—You have not had experience in the past of disbelieving when he makes statements?

Mr Hall—I have no reason to disbelieve what Greg Maguire said.

Senator JOHNSTON—On 28 January when you made the submission—and you have told us that this is the same as you have told the police—you were aware that a substantial part of the issue driving this inquiry by this Senate committee was that it is alleged that Mr Maguire was a messenger acting on behalf of Anderson and Macdonald? You were aware on 28 January that that was the germane issue—or one of them—of this committee's work?

Mr Hall—Yes, Senator.

Senator MURRAY—How long have you been a chartered accountant?

Mr Hall—That is a hard question, Senator. Since 1978, I believe.

Senator MURRAY—Have you legal training?

Mr Hall—No, I do not have legal training.

Senator MURRAY—Are you familiar with legal principles?

Mr Hall—Yes, I am.

Senator MURRAY—Are you familiar with the phrase 'contemporaneous notes'?

Mr Hall—No.

Senator MURRAY—They are notes taken at or near the time that an event occurred, which are then able to be used—and usually they are used—in legal circumstances. Following the meeting at which the alleged offer was made to Mr Windsor, did you take notes of that meeting?

Mr Hall—No, I did not.

Senator MURRAY—How long after that meeting did you think to take notes? I thought I heard you give evidence that you had used notes to construct your statement to the police.

Mr Hall—Yes. When I was contacted by the Australian Federal Police they asked me before they met with me whether I could make some notes of what my recall was.

Senator MURRAY—How long after the event was that?

Mr Hall—The Australian Federal Police first interviewed me on 1 October.

Senator MURRAY—So 4½ months?

Mr Hall—Yes.

Senator MURRAY—Were you alert to the fact that making an offer to a parliamentarian in the way you recall was a crime?

Mr Hall—No, I was not.

Senator MURRAY—Did you discuss that aspect of it with Ms Tickle or with Mr Windsor at any time before it really blew up in the media?

Mr Hall—My recall is the only discussion I had with either of those people was in the vehicle travelling out to Farrer with Tony Windsor, and I did not discuss it again after that until it became public. I read a small piece in the *Sunday Telegraph* and I rang Tony and said, ‘What’s it about?’ Tony advised me that it was about the meeting at the Quality Powerhouse Hotel with Greg Maguire. Between then and now I did not discuss it with either of them.

Senator MURRAY—How long have you known Mr Maguire?

Mr Hall—I first met Mr Maguire when I was at Armidale university. I was at Armidale university between the years of 1971 and 1974 and I met him during that period.

Senator MURRAY—Do you know him well?

Mr Hall—No, I do not know him well.

Senator MURRAY—What is your opinion of him?

Mr Hall—I do not profess an opinion on Greg Maguire.

Senator MURRAY—You know of his business reputation?

Mr Hall—I know he owns the Powerhouse hotel. That is all I know.

Senator MURRAY—So you have had no dealings with him as a client or in any other way—

Mr Hall—Professionally, no.

Senator MURRAY—in your practice?

Mr Hall—No.

Senator MURRAY—Page 4 of your submission states that on Tuesday, 21 September 2004 you had a one-to-one meeting with Greg Maguire. There are two statements I will highlight. You said:

John Anderson told Greg Maguire to get a message to Tony Windsor to back off, as this was bigger than both of them.

Further on, you said:

Greg Maguire then told me that he would not be the person who brings down the Deputy Prime Minister of Australia and that he would lie to protect the Deputy Prime Minister, himself and the funding for the Equine Centre.

On page 5 of your submission, you record on Thursday, 23 September 2004 a meeting with Greg Maguire and Tony Windsor. I highlight this paragraph to you:

Greg Maguire also advised Tony Windsor and myself that if he was interviewed by the Federal Police, that he would lie to protect the Deputy Prime Minister as he would not bring him down and also he needed to protect the funding for the Equine Centre.

The reason I have highlighted that is that, as you would appreciate, if a meeting between you and another person is a question of charges or a police investigation or inquiry, it becomes a question of who is credible, because it is just two individuals and two sets of events. But you are saying that Mr Maguire said exactly the same thing—that he would lie—in the presence of Mr Windsor.

Mr Hall—Yes, he did.

Senator MURRAY—Earlier we had Mr Windsor as a witness, but of course this statement of yours was not a public document then and we could not question him on it. Obviously, we will ask Mr Windsor to corroborate whether that was the case. Because if it was the case then it draws into question Mr Maguire's integrity and honesty—and his reputation, whether it is a good or bad one.

Let us move to page 6, to Thursday, 7 October 2004, and accept for the moment that what you say is accurate. Mr Maguire might have said something in the heat of being stressed about all this on 21 September. You would have thought he would have considered the matter more carefully by 23 September. But, by 7 October, you would really think that someone would be careful, and yet you are saying here that Greg Maguire told you on the telephone—I presume you did not tape the phone call?

Mr Hall—No, I did not.

Senator MURRAY—Greg Maguire told you on the telephone that the Federal Police had accused him of lying.

Mr Hall—Yes.

Senator MURRAY—They had not asked him whether he lied but had accused him of lying.

Mr Hall—Yes.

Senator MURRAY—You then go on to say, 'Greg Maguire then asked me to corroborate with his story.' And he said to you, 'I will finish you,' which is a direct threat. Earlier, you said that you were not aware, at the time that this offer was made, that it was an inducement. But by this stage you had realised that an inducement of the kind suggested would be a crime and therefore anyone attempting to interfere with a witness to a crime would be themselves committing a crime. Do you follow me?

Mr Hall—Yes, I do follow you.

Senator MURRAY—Did that occur to you at the time of this conversation on 7 October with Mr Maguire?

Mr Hall—No, it did not occur to me.

Senator MURRAY—Did you mention it to the police?

Mr Hall—No, I did not mention it.

Senator MURRAY—Why did you not mention to the police that you had been threatened?

Mr Hall—I did not even think to mention it to the police. I was asked by the Federal Police if I had discussed the matter with any other party. When I disclosed that I had, they did not pursue the line of questioning.

Senator MURRAY—Let me just go back with this. On what date did the police interview you? Was it on 1 October?

Mr Hall—The first time the police interviewed me was on Friday, 1 October. They then interviewed me for a second time on 7 October.

Senator MURRAY—Before or after this telephone conversation?

Mr Hall—After this telephone conversation. They interviewed me, I recall, at 12 or one o'clock.

Senator MURRAY—You might not be aware, because you were not here earlier, that Senator Johnston read from a press release from the Commonwealth Director of Public Prosecutions. I think you said it was from 26 November.

Senator JOHNSTON—It was from 22 November.

Senator MURRAY—That is fine.

CHAIR—Even senators have difficulty recalling the date sometimes.

Senator MURRAY—I have difficulty with lots of things; you know that. But the point is that the police investigation was not concluded and if they had known you had been threatened they might have wished to investigate further.

Mr Hall—Yes, that is possible.

Senator MURRAY—And you have never, at any stage, told the police that you were threatened?

Mr Hall—No, I have not.

Senator MURRAY—The question in all this goes to Mr Maguire. He is the only common personality between the two sets of people at these two meetings. Therefore, his honesty and integrity is an important issue. Do you think, from your dealings with him, that you would normally trust him to tell you the truth?

Mr Hall—In my dealings with him, I believe so. I have not had a lot of dealings with Greg Maguire.

Senator MURRAY—I make no inference on Mr Maguire. I have not had any dealings with him and I have not had a submission from him. But there is a proposition I would put to you: if he said he was prepared to lie to the police, he might in fact have lied to you in the earlier meeting about what Senator Sandy Macdonald and the minister had actually said and whether they had said anything.

Mr Hall—That is a possibility. Yes, it is a possibility.

Senator MURRAY—It is a scenario, isn't it? But you have no opinion on his normal character.

Mr Hall—No, I have no opinion on Greg Maguire's character.

Senator MURRAY—With both you and Ms Tickle my attention is focused on this inducement issue, but I also want to deal briefly, if I can, with your experience as a campaign director, I think you said, during the state campaigns and as a campaign manager during the federal campaigns.

Mr Hall—I was treasurer in the state campaigns and campaign manager in the federal campaign.

Senator MURRAY—That is a considerable political pedigree. Do you think it is just common and normal political behaviour to try and shoulder somebody like Mr Windsor aside and take credit for work he has done or things he has contributed to in politics? Do you regard that as just part of the hurly-burly of politics or do you regard that as unjust bullying of an Independent member?

Mr Hall—I have never given it consideration.

Senator MURRAY—I ask whether it offends you as a citizen of that electorate.

Mr Hall—I found it offensive when I discussed it after the event in a vehicle with Tony Windsor going out to Farrer High. I did find it offensive but I did not give it another thought after that.

Senator MURRAY—Would you regard it as unusual for, in this case, the National Party to take credit for something, or to try to take the entire credit for something, to which Mr Windsor

could justifiably claim a slice? Is that part of normal political life? Should we get disturbed about it?

Mr Hall—I really do not have an opinion on it.

Senator MURRAY—I ask you deliberately, because part of the committee's terms of reference will require us to take a view as to what the ethics and behaviour of governments should be with regard to non-government senators and members and the conduct of their duties, giving them due regard for their efforts and their constituency. Here you are—you are a campaign manager, a campaign director, a campaign secretary; you were a treasurer, going back all those years, an important businessman, I would gather, in your area, and a citizen of your area. That is why I ask your opinion, and you have none.

Mr Hall—I have not thought about it.

Senator CARR—Mr Hall—

CHAIR—Senator Brown had some questions, but if you are following on this point go ahead.

Senator CARR—You have been a political volunteer?

Mr Hall—Yes, I have.

Senator CARR—You have not got any money for what you have done?

Mr Hall—I have never received remuneration.

Senator CARR—Have you had many dealings with the police in your professional career?

Mr Hall—Yes, I have.

Senator CARR—In terms of your political work, have you had many dealings with the police?

Mr Hall—No, I have not.

Senator CARR—So you are familiar with the way the police actually work, in terms of other areas of your professional career?

Mr Hall—Yes, I am.

Senator CARR—I raise these issues because the line of questioning that some of the senators are asking is: could you be reasonably expected to have advised the police of a threat or could you be reasonably expected to have advised the police of the nature of conversations concerning people lying to the Federal Police? I am just wondering: when you undertook the voluntary work that you have continued for many years, did you ever anticipate that it would come to a situation like this?

Mr Hall—I never envisaged this at all.

Senator BROWN—I want to begin by following up on that point. Are you aware that the Federal Police did not question Deputy Prime Minister Anderson or Senator Macdonald?

Mr Hall—Yes, I am aware of it now.

Senator BROWN—Does it not seem unusual to you that the people who are alleged to have instigated the matter under inquiry were not questioned by the police?

Mr Hall—Yes, I do find that unusual.

Senator BROWN—I do too. On page 2 of your evidence to the committee, in the fifth paragraph—and we are talking about the conversation between Greg Maguire, Ms Tickle, Mr Windsor and you—you refer to Tony Windsor as follows:

Greg Maguire asked Tony Windsor what it would take for him to consider leaving politics and would he be interested in a Diplomatic or Trade Posting overseas. Greg Maguire said that either could be arranged as the Government makes 500 such appointments a year.

That is news to me. Do you know where the figure of 500 appointments a year came from?

Mr Hall—No, I have no idea.

Senator BROWN—It seems to indicate that it has come from somebody in the government who was in the know, though, doesn't it?

Mr Hall—It does.

Senator BROWN—We can ask Mr Maguire about this if he comes before us, but I think it would be unusual for a citizen of Tamworth who was not involved in government very directly to know that particular figure.

Mr Hall—I agree with you.

Senator BROWN—In the next paragraph, you say:

Tony Windsor said to Greg Maguire ... that John Anderson and Sandy Macdonald and the National Party should also know better than to have the proposition put to him.

I gather from that that it was very clear at the meeting that John Anderson and Sandy Macdonald did put this proposition about a diplomatic posting or otherwise another job through Mr Maguire to Mr Windsor?

Mr Hall—That is what I recall Greg Maguire saying.

Senator BROWN—Did you have any doubt about that—that this was coming from Mr Anderson?

Mr Hall—No. After I left the meeting I did believe that Greg Maguire's comments indicated to me that they had been delivered on behalf of a third party. I do believe that the third party was John Anderson and Sandy Macdonald.

Senator BARNETT—I missed the answer. Did you say, 'After I left the meeting'?

Mr Hall—Yes, I believed that that was the case.

Senator BROWN—In the next paragraph you say that the conversation then led on to the equine centre. You say:

... Greg Maguire told Tony Windsor that the application for funding for the centre was proceeding, but John Anderson had told him that he was concerned that if he approved the funding that Tony Windsor would take the credit and limelight for the funding.

What are we to glean from that? You couple this with your statement before about a diplomatic posting. Did you relate the offer of a diplomatic posting to the equine centre or to some other proposition coming through Mr Anderson?

Mr Hall—I related that comment to Greg stating about the equine centre. I did not relate it back to the offer of a diplomatic or trade posting.

Senator BROWN—Halfway down page 3 you quote Greg Maguire as saying:

[Expletive] Windsor is going to tell the press about Anderson's offer.

Mr Hall—That is right.

Senator BROWN—So there we have Mr Maguire explicitly stating that the offer came from Deputy Prime Minister Anderson?

Mr Hall—That is correct.

Senator BROWN—The next statement from Greg Maguire as you quote it is, 'It will be the end of me'. That is, I presume—and would you comment on this—it will be the end of him if Anderson's offer becomes public?

Mr Hall—That is what I understood it to mean.

Senator BROWN—Halfway down page 4 you say:

John Anderson told Greg Maguire to get a message to Tony Windsor to back off, as this was bigger than both of them.

This is after the news had come out about the offer being made to Mr Windsor but not the names at that stage. What did you take ‘this was bigger than both of them’ to mean? Ordinarily, I would take that to mean that it was going to crush both of them.

Mr Hall—I understood it to mean that it would politically affect both of them. I believed that it would politically affect both of them.

Senator BROWN—By ‘affect’, do you mean that it was going to have a damaging effect?

Mr Hall—Yes, a damaging effect to both of them.

Senator BROWN—The next paragraph says:

Greg Maguire then told me that he would not be the person who brings down the Deputy Prime Minister of Australia and that he would lie to protect the Deputy Prime Minister, himself and the funding for the Equine Centre.

There we have Mr Maguire, who had delivered the message in May, saying directly to you that he would deny he had delivered that message, if the matter became public, in order to protect the Deputy Prime Minister?

Mr Hall—That is correct.

Senator BROWN—Is there any other way that you think that could be taken?

Mr Hall—No, that is the way I understand it.

Senator BROWN—On the next page, in the fourth sentence down—and we are talking now about 23 September last year—it says:

Greg Maguire advised Tony Windsor and myself that in his discussions with John Anderson that John Anderson had asked him to tell Tony Windsor to back off as the matter was bigger than both of them.

That is a reiteration of that previous day, but it leaves us, on your word or at least on Mr Maguire’s word, with no doubt that John Anderson, the Deputy Prime Minister, was calling on the member for New England to back off because of the potential political damage that would come out of this matter becoming public.

Mr Hall—Correct.

Senator BROWN—Three sentences down it says:

Greg Maguire also said that he would speak to John Anderson about backing off on calling for the names and get Trevor Khan...

Do you know if he did that?

Mr Hall—Yes, he rang me on the Monday and told me that he had spoken to John Anderson, who had agreed to stop calling for the names and I agreed to talk with Tony Windsor about not pursuing the matter for the rest of the election.

Senator BROWN—It is difficult to ask about motivation here, but did you get the feeling that the motivation for Greg Maguire in this matter was the defence of the Deputy Prime Minister, as he is saying, or the equine centre? Or is it difficult to differentiate between those two?

Senator McGAURAN—I have a point of order, Chair. Given you ruled my question out of order, is that question in order?

CHAIR—That question is in order. Senator Brown has asked this witness for his impression or his understanding. He is not asking the witness, as you did earlier, about what was in the mind of some other person. He is asking him for his own impression. It is a perfectly legitimate question and there is no point of order.

Mr Hall—I believe Greg Maguire was trying to protect both.

Senator BROWN—Two-thirds of the way down page 6, you say—and we are talking now about 7 October, so the Federal Police have now been involved:

Greg Maguire then asked me to corroborate with his story.

That is, presumably to the Federal Police. That is the story that is was a misunderstanding that he had been a supporter of the Independent movement, that Mr Windsor cannot deliver and that Tony Windsor should look for an overseas appointment. In other words, that Mr Maguire put the proposition and that it did not come from the Deputy Prime Minister. He is asking you if you would corroborate that.

He said it was only way out of it and the easy way out for Tony Windsor and John Anderson and it would protect the funding of the Equine Centre.

That goes along with what you have said. Then he said that, if you did not support him on this fabricated story: ‘I will finish you.’

Mr Hall—Yes, he made that statement.

Senator BROWN—And you made the decision not to go along with the fabrication?

Mr Hall—I told him that I would tell the Federal Police the truth and not be a party to fixing a problem and that I would tell it the way I saw it at the meeting.

Senator BROWN—Thank you.

Senator BARNETT—Mr Hall, you have been in accountancy for 20-plus years, I think you said earlier. When did you start?

Mr Hall—I think my first employment as an accountant was in about 1978.

Senator BARNETT—So you have a long history in dealing with businesspeople and professionals?

Mr Hall—Yes.

Senator BARNETT—Senator Murray asked you earlier about your background with the law, but do you have an understanding of legal principles?

Mr Hall—Yes.

Senator BARNETT—And you have the understanding that an inducement or an offer of an inducement to leave public office is a very serious matter?

Mr Hall—I do now; I did not at the time.

Senator BARNETT—When was the first time it came to you that this particular meeting that you had in May was a serious matter?

Mr Hall—When it became public during the election.

Senator BARNETT—Did you do anything about it at the time or did you wait until the Federal Police gave you a call to prepare your recollections of what happened 4½ months earlier?

Mr Hall—No, the Federal Police contacted me.

Senator BARNETT—And they asked you if you could prepare a statement or recall what happened 4½ months earlier?

Mr Hall—Yes.

Senator BARNETT—Then you had a subsequent meeting, did you, with the Federal Police?

Mr Hall—I had a meeting on 1 October and then I had a meeting on 7 October.

Senator BARNETT—Yes, I am aware of that. Based on your submission—you had made some pretty serious comments in there about what was said at the meeting and the veracity of those comments, did it not occur to you at the time to write a file note about what had occurred at that meeting back in May?

Mr Hall—No, it did not, Senator.

Senator BARNETT—In hindsight, do you think perhaps that you should have?

Mr Hall—Maybe I should have, yes.

Senator BARNETT—Okay, because I have noted just based on your submission that you have got four meetings that you have referred to in your submission and five phone calls, and they were all documented in your submission. In any of those meetings or phone calls, did you write a file note?

Mr Hall—Not at the time, no.

Senator BARNETT—So it is all based on your recollection when it came to light during the election campaign and then subsequently with the Federal Police.

Mr Hall—That is correct, Senator.

Senator BARNETT—Thank you.

CHAIR—I think—can I just follow up there—these discussions or these telephone conversations also occurred, according to your evidence, as the item was also being broadcast on the ABC news that night.

Mr Hall—That is correct.

CHAIR—The timing was all around about the same time, wasn't it?

Mr Hall—That is correct.

Senator BARNETT—You mentioned earlier—and took us a little bit by surprise—that Greg Maguire made certain statements after you had left the meeting. Can you clarify that for the committee? Did he make any particular comments after you had left the meeting?

Mr Hall—Which meeting are you talking about, Senator?

Senator BARNETT—The meeting of May, I assume. I thought you said earlier that certain comments were made after you had left the meeting.

Mr Hall—No. Tony and I had a discussion after a meeting.

Senator BARNETT—After what?

Mr Hall—After we left the meeting is what I said, Senator.

Senator BARNETT—Okay, and that was when you went back to your office via the Farrer agricultural high school?

Mr Hall—Yes. We discussed it in the car.

Senator BARNETT—What was happening at the agricultural high school? Why would you go there?

Mr Hall—We went via Farrer agricultural high school to visit Mr Windsor's son, who attends the school.

Senator BARNETT—Okay, and you were happy to go with him and then back to your office. On page 2 of your submission you said:

Greg Maguire told us that he had a meeting the night before with the Deputy Prime Minister.

That has been proved to be incorrect based on advice given by the Deputy Prime Minister that he was in Bundaberg in Queensland.

Mr Hall—Yes.

Senator BARNETT—Do you now accept that as accurate?

Mr Hall—I accept it.

Senator BARNETT—So you accept that part of the denial of the meeting that took place—that what was said was inaccurate?

Mr Hall—I accept that, but that is what Greg Maguire said.

Senator BARNETT—Okay. The legal advice you refer to in your submission was of 24 September by Chris Zucker solicitor, and that was a meeting you had with Mr Windsor and with him to seek legal advice.

Mr Hall—A telephone conference with Mr Zucker.

Senator BARNETT—So you have the same solicitor on this matter?

Mr Hall—Mr Zucker is advising me. To my knowledge the only meeting that Mr Windsor participated in with Chris Zucker was the meeting I refer to, on Friday, 24 September, when I arranged a telephone conference with Mr Zucker, Tony Windsor and myself. But Mr Zucker is advising me on this matter.

Senator BARNETT—Just quickly going back to the meeting in May, in the fourth paragraph of page 2 of your submission you note:

Greg Maguire said that either could be arranged as the Government makes 500 such appointments a year.

Did that sound strange or a high number to you?

Mr Hall—I really would not know whether it is a high number or not; I really would not.

Senator BARNETT—My understanding is that there are 20, 30 or 40 a year. The 500 a year does sound high. You do not have a view on that?

Mr Hall—I would not know whether it is high or not.

Senator BARNETT—I think I am just reflecting on Senator Brown's comment that only somebody in government would know that. I think the facts might speak for themselves. You mentioned earlier that you had discussed your evidence with Ms Tickle, Mr Windsor and Greg Maguire. Is that correct, in terms of the meeting?

Mr Hall—We discussed the issue, not the evidence.

Senator BARNETT—What did you discuss with them?

Mr Hall—My meetings with Greg Maguire. My telephone conversations are tabled here.

Senator BARNETT—Sure; apart from what is not in the submission.

Mr Hall—The issue of what was being discussed politically as campaign manager; I discussed how to handle it with Tony Windsor.

Senator BARNETT—So you and Mr Windsor had been discussing how to handle this matter in terms of a public relations event prior to the election and post the election?

Mr Hall—No. The first discussions came up during the election when it became public knowledge.

Senator BARNETT—And you discussed that with Mr Windsor—how to handle the matter?

Mr Hall—Yes.

Senator BARNETT—Have you discussed it with Ms Tickle as well? You said earlier in your *Hansard*—

Mr Hall—The only discussion I had with Helen Tickle was after Tony and I had been contacted by the Australian Federal Police for an interview, and we asked her whether she had been contacted. That was the only discussion.

Senator BARNETT—She denied that in her evidence today.

Mr Hall—I was not privy to her evidence.

Senator BARNETT—In a media release of 22 November Mr Windsor said:

The release of the AFP Statement now clears the way for the establishment of a Senate Inquiry or even a House of Representatives Inquiry so that all those involved can give their evidence publicly and be cross examined and broaden the scope of the Inquiry beyond the narrow terms of reference of the AFP investigation.

Did Mr Windsor discuss that with you in terms of you appearing before such a committee?

Mr Hall—No, he did not.

Senator BARNETT—How do you think he could come to that view without discussing it with you?

Mr Hall—I was not privy to that press release so you would have to ask Mr Windsor that question.

Senator BARNETT—But you had been helping Mr Windsor with his PR and how to respond at a public level.

Mr Hall—Only during the elections. That is what I said.

Senator BARNETT—So he has obviously made an assumption that those involved—and I guess he was thinking of yourself and Ms Tickle. I do not know about Mr Maguire, and maybe others as well; we will have to come to that later—were willing to give evidence publicly?

Mr Hall—You would have to ask Mr Windsor that.

Senator BARNETT—I will do that. Thank you.

CHAIR—In evidence given by Ms Tickle, she referred to the fact that there had been a budget briefing the previous week. It appears that the meeting that occurred the night before, which there has been all this discussion about, actually took place on the night before that budget briefing which was attended by Mr Anderson and Senator Macdonald. Are you aware of the budget briefing?

Mr Hall—I am aware that the National Party has a budget briefing in Tamworth most years, but I am not aware of that.

CHAIR—You are not aware of the specific one that it appears occurred, on my reading, on 14 May?

Mr Hall—No, I am not aware of that.

CHAIR—Thank you, Mr Hall, for your submission and for making yourself available to appear today. It was at short notice, and I know you had to make some hurried arrangements to get here and had some travel difficulties with the weather. Thank you once again for your appearance.

Mr Hall—Thank you, Senators.

[4.01 p.m.]

WINDSOR, Mr Antony Harold Curties (Tony), Federal Member for New England

CHAIR—I should indicate for the benefit of everyone in attendance that the hearing is due to finish at 5 p.m. I am going to call Senator Barnett to proceed with his questions that he started earlier today. If there is a need to recall you, Mr Windsor, if we do not finish your evidence this afternoon in that time, then we will make arrangements to finish that on a subsequent day here in Canberra.

Senator BARNETT—Can I start off with one simple question: in your view, do you believe that lying is a sin?

Mr Windsor—Yes, otherwise I would not be here.

Senator BARNETT—You had legal advice on 24 September, so you were aware, at least in broad terms, of your lawyer's advice and you had your own views of what had taken place in that meeting in May. But on 18 November in *Hansard* you are reported as saying:

It is my view that Mr Maguire is the victim of an approach from Mr Anderson and Senator Macdonald and that he, like me, was not aware that he was actually contravening, or potentially contravening, the Commonwealth Electoral Act. I would like to place on record my support for Greg Maguire and to say to the media that, even though this man is in the spotlight at the moment because of the structure of the Commonwealth Electoral Act, in my view he has committed no sin. I think it would be a great travesty of justice if the real villains in this case—the ones who are the architects of the message—were allowed to flutter off into the sunset rather than the messenger.

How do you respond to that in the light of what you have just said about lying being a sin?

Mr Windsor—Quite easily. At the time of the meeting on 19 May, I do not believe that any of us in that room knew—and I do not think many of the political people here would know—that that sort of proposal was a breach. I had no idea it was a breach of the Electoral Act until someone in the media discussed it with me. The so-called legal advice was a fairly quick conversation about the AFP.

Senator BARNETT—In the last dot point in your submission of 20 September you say:

Greg Maguire informed me that if ever questioned on the issue he would lie to protect the Deputy Prime Minister and the Equine Centre funding.

Even in your submission—I think it is in other places—you say that he would lie or that he said he would lie. Yet, in November, two months later—and that event is prior to the legal advice and even at the stage of the legal advice and post the legal advice—you are still saying that he has committed no sin.

CHAIR—Order, Senator Barnett! That question is totally irrelevant. We are not here to determine whether a lie is a sin or not. Can we get a little bit of commonsense into the questions, please?

Mr Windsor—I would like to answer the question.

CHAIR—If you would like to answer it, Mr Windsor, you may, but it is really just wasting the committee's time.

Senator BARNETT—Mr Chairman, with the greatest respect, it is entirely relevant and you should allow the witness to answer the question.

Mr Windsor—I still believe today that Greg Maguire was put in a spotlight that he should not have been put in. Whether that is a technical breach of some act that neither he nor I would have known about, my view is that he is a victim in this and he has been put in a dreadful position and I do not feel comfortable about that. But I was not going to lie to the police, and to the great credit of these other people who are here today, they were not prepared to lie to the police either. None of us are lawyers. What we are doing is recalling, to the best of our knowledge, conversations that took place. I happen to take the view—and I did when the police were there too and I said it to the police—that I believed Greg Maguire was in a very difficult situation and I had sympathy for that situation. I have not changed that with legal advice or with the day of the week. I still believe that. If I am guilty of something for believing that—

CHAIR—Somebody else may make a judgment about that in the afterlife if it is a sin. Let us move on to what we are dealing with here in reality at the moment.

Senator BARNETT—Mr Windsor, in your submission of 21 September, in the third paragraph, you say:

I understand that Stephen Hall and Greg Maguire met during the day and a message was relayed to me ...

How was the message relayed to you?

Mr Windsor—Stephen Hall told me. I cannot remember whether it was in person or by phone.

Senator BARNETT—It says:

... apparently from the Deputy Prime Minister, John Anderson suggesting ...

You would not call that a concrete, definitive statement. Whereas in parliament on 29 November you said that, a few days after 20 September 2004, the Deputy Prime Minister rang Greg Maguire and, you said:

The message conveyed in that phone call was, 'Get your mate to pull back'—remember that this was in the middle of an election campaign—'this is bigger than all of us.' Some would ask, quite rightly, how I know that. I know it because Greg Maguire told me that the Deputy Prime Minister had rung him.

On the one hand we have got your submission where you say it happened on 21 September and then in the parliament you say it was a few days after the 20th—I will give you a bit of leeway there—and then you are saying that it was a definitive statement in parliament on 29 November. You said:

... I know it because Greg Maguire told me that the Deputy Prime Minister had rung him.

What we are getting here in your submission is that a message was relayed—and you have just told us that it was from Stephen Hall—‘apparently from the Deputy Prime Minister ... suggesting’. There is a little bit of inconsistency, Mr Windsor.

Mr Windsor—There were two discussions and they were on different days. Stephen Hall, to the best of my knowledge, relayed that message that Greg had given him.

Senator BARNETT—To you?

Mr Windsor—Yes. At the meeting where Stephen Hall and I and Greg Maguire met, Greg made the point that he had had contact with the Deputy Prime Minister. That was reiterated at that meeting. It was relayed to me via one person and directly by another.

Senator BARNETT—We will move on. In the 17 November *Hansard*, there is again reference to the Greg Maguire meeting of 18 May, but we know now that John Anderson was in Bundaberg—I think it was—in Queensland on that day. Can I just ask you on the record: do you believe the Deputy Prime Minister when he says he was in Bundaberg on that day?

Mr Windsor—I have no reason to disbelieve him. I have not checked his travel arrangements. He travels in an aircraft. I do not know whether he physically could have—I do not know whether there could have been a meeting the night before the 19th. The indication we got was that there had been a meeting the night before. I think we have all accepted that the meeting we were talking about was held a few days earlier. But there was definitely an indication. And I do not remember the exact words, because, like the others, it was four months—19 May. I thought this was an act of stupidity and desperation and moved on, not realising that there were any potential legal implications. I would still be moving on had the Labor Party not decided on a brief reference.

Senator BARNETT—But, Mr Windsor, with respect, you have said black and blue, without any equivocation, that Mr Maguire made a number of points regarding the previous night’s meeting, and that is in your 17 November page whatever-it-is in the *Hansard*.

Mr Windsor—Yes.

Senator BARNETT—So it is quite unequivocal.

Mr Windsor—My understanding was that it was the night before. I am prepared to accept the—

CHAIR—Based upon what you recall—

Senator BARNETT—The witness is answering the question.

CHAIR—Based upon what you recall Mr Greg Maguire said to you.

Senator BARNETT—You are leading the witness.

CHAIR—I am not leading the witness. I am reminding you, Senator Barnett. You have been labouring this point, as have other senators, for most of the day. I think it has clearly been acknowledged that Mr Windsor has dealt with that issue time and again. I ask you to move on.

Senator BARNETT—I am just asking for the record: do you accept the Deputy Prime Minister's response that he was in Bundaberg in Queensland on that day?

CHAIR—You asked him that 10 minutes ago and he gave you an answer.

Senator BARNETT—I am just asking a question; it is pretty simple.

CHAIR—You asked him that question before.

Mr Windsor—I have not checked. I have no reason to disbelieve his evidence because he has authenticated a meeting that took place some days earlier with exactly the same people as the meeting we were referring to. I have not bothered to go checking diaries and those sorts of things in terms of the Deputy Prime Minister. If he has said that that meeting took place on a different day, I have no reason to believe him. But the indication—and just remember our conversation was with Greg Maguire, not John Anderson—

Senator BARNETT—So you may be willing to accept his view in that regard but not the rest of his denial—total denial—and repudiation of your claims?

Mr Windsor—Who are we referring to now?

Senator BARNETT—The Deputy Prime Minister.

Mr Windsor—Our conversation was with Greg Maguire. I am relaying to this committee my recall of a conversation with Greg Maguire. I have recalled a conversation that I had with the Deputy Prime Minister, in the chamber.

Senator BARNETT—You have said in the parliament, in this committee and in your submission that the Deputy Prime Minister and Senator Sandy Macdonald have been involved in alleged bribery activities.

Mr Windsor—Yes. That was the reference from the Labor Party.

Senator BARNETT—All your public statements are riddled with it.

Mr Windsor—That is what the Federal Police came to see us about—the allegation that there had been an inducement by an intermediary which was a breach of the Electoral Act. Of course we are going to be referring to that.

Senator BARNETT—But you have not stood back from that. You still do not stand back from the fact that those matters are still up in the air, despite a Federal Police investigation exonerating those people.

Mr Windsor—I do not follow your line.

CHAIR—Nor do I. Could you please rephrase your question.

Senator BARNETT—I will move on, but the point I was making was that you have not stood back from your allegation that those two members of parliament have been involved in bribery and corruption.

Mr Windsor—I have not removed myself from the meeting I had with Greg Maguire where there were indications that he had had a meeting with those people and they had made certain statements. He delivered certain messages, one about the credit for the equine centre if it was funded, another about an inducement and a third about wanting to meet with me. And that is what we did in the chamber.

Senator BARNETT—In parliament on 18 November you described Mr Maguire as:

... a very well regarded businessperson in Tamworth ... a prime mover in a lot of very positive things in our region.

... ..

I would like to place on record my support for Greg Maguire ... in my view he has committed no sin.

... ..

I have had a lot to do with him over many years and I have a very high regard for the man.

But in your submission that we have here before our inquiry you say that on 20 September in a phone conversation:

Greg Maguire informed me that if ever questioned on the issue he would lie to protect the Deputy Prime Minister and the Equine Centre funding.

You then say that Greg Maguire repeated that comment in person at a meeting on 23 September. Which Mr Maguire are we meant to accept from you? What interpretation do you want to put on Mr Maguire today? Is he a man who has committed no sin or he is a man who has admitted lying to the police?

Mr Windsor—He has obviously admitted lying to the police because he probably perceived himself to be in a very difficult position, and he is. I take people as I find them, and in my dealings with him, which I said are mainly through the equine centre arrangements where I think

he has done very good job, I have got to know him in that sense. I do not know him socially terribly well.

Senator BARNETT—So you do not think it relates to how it useful he may be to you in your political career?

Mr Windsor—Not at all.

Senator BARNETT—Can I move on to your media release of 22 November, where you talk about the release of the AFP statement. You said:

The release of the AFP Statement now clears the way for the establishment of a Senate Inquiry ... so that all those involved can give their evidence publicly and be cross examined ...

How did you come to that conclusion?

Mr Windsor—I was led to believe that there may well have been a public inquiry where the public gives submissions, and the terms of reference, if they were appropriate, would allow this issue to—

Senator BARNETT—You know exactly who was involved, and in particular you know about Ms Tickle and Mr Hall.

Mr Windsor—The people I am referring to and all those people involved would have the opportunity—and they do—to present themselves in public at this committee to give evidence. Obviously, that is exactly what is happening.

Senator BARNETT—Did you discuss this matter with Ms Tickle and Mr Hall?

Mr Windsor—What about?

Senator BARNETT—That they would give evidence to an inquiry.

Mr Windsor—What date are you talking about?

Senator BARNETT—Whether they would be prepared to give evidence to an inquiry in public.

Mr Windsor—Are you referring to this press release?

Senator BARNETT—Yes, you have said it in here.

Mr Windsor—What date?

Senator BARNETT—22 November. It is in the last paragraph on page 1.

Mr Windsor—They have been aware of the inquiry since it was announced. Chair, when was it announced?

CHAIR—It is not normal for witnesses to ask questions of the committee, Mr Windsor, but you have got me there. It was 2 December it went through the parliament. I think we need to try and make these questions and answers more precise.

Mr Windsor—I have found the release. I find nothing unusual in our pleas related to the establishment of this thing.

Senator BARNETT—Did you discuss with Ms Tickle and Mr Hall whether they would be prepared to give evidence to a public inquiry?

Mr Windsor—I think they were aware of it. We have mentioned it. We have not sat down; I think that is very obvious through the way in which various—

CHAIR—Just answer the question, Mr Windsor.

Mr Windsor—Sorry?

CHAIR—Just answer the question, please.

Mr Windsor—It has been raised on a few occasions. It is no big deal.

Senator BARNETT—Can I clarify with you—it has been asked this afternoon—whether you have taken file notes of all of these meetings and phone conversations you have had, which are obviously of great interest to the committee and at the time of considerable import. Have you taken file notes?

Mr Windsor—Not of the May 19 meeting; no, I did not. I did not see it in the—

Senator BARNETT—Have you taken file notes of any of the meetings or telephone conversations?

Mr Windsor—In preparation for the AFP inquiry I sat down and embraced my recall.

Senator BARNETT—Preparing to do your written statement for the police.

Mr Windsor—Yes.

Senator BARNETT—But, apart from that, did you do file notes of meetings or telephone calls? It is a pretty simple question.

Mr Windsor—Not that I can recall at this moment. If I recall something, I will let you know.

CHAIR—Senator Barnett, can I get an indication of how much longer you think you might be? I ask this because I know that some senators have to get away to catch planes. I know

Senator Murray has one question he would like to ask and Senator Brown has questions that should take about 15 minutes or so.

Senator CARR—Mr Chairman, is Mr Windsor prepared to come back?

CHAIR—I did flag earlier that we might have to do that.

Senator CARR—Can we ask Mr Windsor if he is? Because it might be necessary—

CHAIR—Excuse me, Senator Carr. I am not going to ask Mr Windsor a question yet. It is up to this committee to decide whether we need Mr Windsor to come back and that depends upon whether we finish the evidence today, which is why I ask Senator Barnett: how long do you think you have to go?

Senator BARNETT—I want to make sure Senator Murray gets a chance. I am happy to hold and then come back to it if that would help.

CHAIR—Senator Brown would also like to get an opportunity today for about 15 minutes.

Senator BROWN—That is right.

Senator BARNETT—I will probably be about 15 minutes, I reckon.

CHAIR—Senator Murray, you ask your question and then I will go to Senator Brown and then I will come back to Senator Barnett and then we will reconsider the position at that time.

Senator MURRAY—Thank you, Mr Chair.

Senator CARR—Mr Chairman, is it your intention then to conclude the proceedings at 5 o'clock?

CHAIR—It is my intention that we will conclude today at 5 o'clock and if we have not finished with the evidence from Mr Windsor then we will recall him another time.

Senator MURRAY—Mr Windsor, do you have Mr Hall's submission?

Mr Windsor—I do now, yes.

Senator MURRAY—Can you look at page 5?

Mr Windsor—Yes.

Senator MURRAY—You will see there Mr Hall's recollection of a meeting held with Greg Maguire, Tony Windsor and Stephen Hall. Do you see that?

Mr Windsor—Yes.

Senator MURRAY—The third last paragraph says the following:

Greg Maguire also advised Tony Windsor and myself that if he was interviewed by the Federal Police, that he would lie to protect the Deputy Prime Minister as he would not bring him down and also he needed to protect the funding for the Equine Centre.

Is that an accurate recollection?

Mr Windsor—Yes.

Senator MURRAY—So that is what happened? So you are corroborating Mr Hall's view of that meeting?

Mr Windsor—Yes.

Senator MURRAY—That is all I have, Mr Chairman.

Senator BROWN—Mr Windsor, you have had a big day of it. I will be brief with my questions.

Mr Windsor—Thank you.

Senator BROWN—On the last page of your short submission, you refer to the board meeting for the equine centre of 30 July last, in Tamworth. You say:

I was informed by Greg Maguire in a subsequent conversation that Mr Anderson went feral when he discovered I was still involved in the process having previously raised concerns at their May meeting.

According to Greg Maguire he informed John Anderson that I was no longer on the Board.

Greg Maguire then told me, "Mate, I had to remove you". My 'removal' was part of the political preconditions that were being applied to the funding submission.

Were those the terms in which it was put, and was there any elaboration on the fact that Mr Anderson went 'feral'?

Mr Windsor—Essentially that is why it stuck in my mind; it is an interesting word. He was not keen with my being there, and he was a little bit upset about it.

Senator BROWN—Did you just accept the decision by Mr Maguire of 'Mate, I had to remove you'—that you had been removed?

Mr Windsor—Yes, because my main objective was to achieve an outcome for this centre. He had made a decision in front of the Deputy Prime Minister to tell him that I was not there. I was not going to interfere in that process. I probably missed only two board meetings, anyway. Once the funding was through, I was not going to be part of it; there was no need for the political players at all. I think the same was going to apply to the state member.

Senator BROWN—Mr Maguire appeared so frightened for the centre from the reaction of the Deputy Prime Minister that you were still on the board that he told him then and there that you were not, even though that had not been conveyed to you at the time?

Mr Windsor—I think he was generally concerned for the funding arrangements and did what he thought, as board chairman, was the appropriate thing.

Senator BROWN—Quite clearly the implication there, coming from the Deputy Prime Minister, is that a price to be paid for the funding of the equine centre was your removal from the board?

Mr Windsor—The politics of that centre has been a long-running price, and that was just another example of it being played out again to gain some political advantage.

Senator BROWN—You effectively sacrificed yourself as far as being on that board—

Mr Windsor—That did not worry me—

Senator BROWN—to enable the centre to have the best chance of getting funding.

Mr Windsor—I was quite happy to do that. That has never worried me. Anybody who knows me in the electorate would know that I am not out there to get my name on plaques. It is not the main agenda.

Senator BROWN—Your submission includes a media release from Senator Sandy Macdonald dated 10 August 2004. It relates to the University of New England's maths and science centre. In the second paragraph, he says:

... that it is only when you have a representative in Government that you can achieve and deliver funding and better outcomes for the electorate of New England.

You have brought it to the committee's attention, but what you are effectively doing there is endorsing the background motivation that is coming from Senator Macdonald. This press release is saying, if you like, to the people of New England that you are going to get second-rate service or you are not going to get service.

Senator JOHNSTON—Can we have some time? It is not statement time.

Senator BROWN—That is your opportunity.

Senator JOHNSTON—Ask your question!

CHAIR—Order, Senator Johnston! Senator Brown, I understand, is very quickly getting to the question.

Senator BROWN—Senator Macdonald from the National Party is saying that New England is going to effectively not get the service it requires if it does not have a National Party representative. In the next paragraph, he says that it is the hard work and success of Trevor

Khan—your National Party competitor for the seat—that has secured \$4.9 million in federal funding for the UNE based maths and science centre. Is it true that it was Trevor Khan's hard work that secured that money?

Mr Windsor—I would not suggest that he did not attend a few meetings, but I think we all know what is going on there. I think it is self-explanatory.

CHAIR—It is either a 'yes' or a 'no'. It would be helpful if you would answer the question.

Mr Windsor—No, I do not think Trevor Khan had a lot to do with it. It was one of those issues the electorate had obviously embraced because at the Vision New England summit that I was referring to earlier every community group in the electorate supported the concept. For the candidate or the member promoting it, it was always going to be a popular thing. It was just a smart bit of politics, but I do not think Trevor Khan had much to do with it at all. I think it was set up at a much higher level and then the orchestration of the credit taking was put on through the campaign.

Senator BROWN—The credit going to the National Party?

Mr Windsor—Yes, obviously.

Senator BROWN—There is more in that press release in the same vein but I think it does illustrate fairly clearly the thinking of at least Senator Sandy Macdonald. I think I will leave it there, thank you, Mr Windsor.

Senator CARR—Mr Windsor, this morning you said that you were not surprised by the outcome of the Federal Police inquiry which was announced late last year. There have been some questions raised about the failure of the AFP to interview Mr Anderson or Senator Macdonald. From what you have heard today, given the conduct of that inquiry, how satisfied are you with the conduct of that inquiry?

Mr Windsor—With the AFP's inquiry?

Senator CARR—Yes.

Mr Windsor—Given that I have a little bit of a legal idea of the breach of the Electoral Act now—and do not ask me to go through it chapter and verse—as I said earlier, I do not know whether anybody would ever get convicted of a breach for an inducement under the way that is constructed. I think we are seeing another example of that with the Peter King-Wentworth scenario where it became fairly obvious that if he says they said, there is no proof. No, I am not surprised, and we were not surprised at the time. The only way that that breach could have been proven is if Greg Maguire admitted to being the go-between and he did not do that, and he told us he was not going to do it. As soon as we knew that, it was pretty obvious that it was going to be very difficult to establish a prima facie case.

Senator CARR—Given the evidence we have heard today about the nature in which the records were kept in terms of the statements given back to witnesses and the nature of the follow-up, do you have any comment to make about the nature of that inquiry now?

Mr Windsor—I do not have the capacity to comment on that. I think it is best that I do not try and make a comment about something I am not really on top of.

Senator BARNETT—Is the evidence that you have in your submission and the evidence you have given today the same as the evidence you have given to the Australian Federal Police?

Mr Windsor—The evidence that I gave to the Federal Police relates to the 19 May meeting. The evidence I have given today relates to other meetings. One of the things—and I think Mr Hall may have commented on it in relation to some of the questioning—is that when talking to the Federal Police their brief was the breach of the Electoral Act. It was not about the equine centre and how broad is the sky and the sun. It was about the conversation between Mr Maguire and those in the room.

I spent, I think, about five hours with them in two meetings in the middle of the election campaign, and I remember that they would say to me: ‘Mr Windsor, we have to return’—I cannot remember the technical term—‘to the issue of the discussion, the conversation, that you had with Mr Maguire,’ which in a sense is only quite brief. So they were not asking and they were not really interested in all of this other material that has happened. What I said to the police is documented, and there is also some other material that is documented.

Senator BARNETT—But, apart from what you have just said, is there anything in addition or is there anything in your statement to the Federal Police that you have not told us?

Mr Windsor—No, I think it is pretty well covered in the—

Senator BARNETT—In your submission.

Mr Windsor—In the documentation.

Senator BARNETT—Okay, thank you.

Mr Windsor—I can check on that, but I am fairly certain.

Senator BARNETT—Feel free to check; that is fine. Earlier today you said words to the effect that—I cannot remember exactly, but something like this—the National Party was trying to buy the electorate. I presume you meant New England and perhaps other electorates.

Mr Windsor—Yes. It is a view that I have—and excuse me if I am a little bit political here, but you have asked the question. It is a view that I have had that I believe it is not a good strategy—I do not think it is necessarily, turning up with money, even though it is good and we have all got very worthy projects. If they tend to be politicised, I do not think there are the political rewards in them. Good policy delivers the rewards.

Senator BARNETT—Thank you for that; it is helpful. Can I draw your attention to the election campaign where, at a public meeting at the University of New England in Armidale, you said that, should the election result in a hung parliament and you had the balance of power, the university and the community—and this was in a public meeting—could count on you to deliver both a medical and a veterinary school at a cost estimated to be in excess of \$40 million.

Mr Windsor—I do not think the term \$40 million was mentioned. Currently, there is in process an attempt—I had better use that word—to put in place a medical centre.

Senator BARNETT—Did you tell them that—at the public meeting—at the time?

Mr Windsor—No. It was being talked about, and it had been raised again at this—

Senator BARNETT—But you did not bother telling them; you were just saying that you would deliver a medical school and a veterinary school. There was no mention at the public meeting about due process—

Mr Windsor—No—

Senator BARNETT—due diligence or things like that?

Mr Windsor—No—

Senator BARNETT—You know: good policy. Mr Windsor?

Mr Windsor—Well, give me a go! The Vision New England Summit is where my electorate tells me what it wants. The maths and science centre was one; the medical school is another. I have worked quite hard with the university Department of Rural Health and the universities of Newcastle and New England. Only the other day I had a meeting with people in relation to the medical school. The point I was making at the meeting is exactly good policy. All country Australians know that unless we start to put some medical schools in country Australia we will not fix the doctor problem. So it is good policy, and I do not apologise for that. It is policy that some within the government, to their credit, are looking at quite strongly too.

Senator BARNETT—Isn't this whole inquiry about due process, due diligence and doing the right thing? Nevertheless, at that public meeting, you said that you would deliver a medical and veterinary school—is that correct?

Mr Windsor—I said I would go in to bat for it. I have been saying that for years.

Senator BARNETT—Can I move on to two other matters. One is Professor Chudleigh. I think there was some discussion earlier. You were reported in the *Northern Daily Leader* on 25 February 2002 welcoming the equine centre study. You were reported as saying that the Deputy Prime Minister, John Anderson, was 'on the right track' to having the equine centre project investigated by Professor Chudleigh. You described Professor Chudleigh as a man of integrity and ability and expressed great confidence in him.

Mr Windsor—Yes.

Senator BARNETT—Subsequently, on 30 May 2002, when the Chudleigh report was raised, you issued a press release which said 'Windsor disappointed but not surprised' at the equine centre knock-back and you criticised Professor Chudleigh for not taking all the factors into account and you proposed that the project should go ahead anyway. You actually criticised the

ACC and the political process. Your process seems a little inconsistent unless you just do it where it benefits yourself.

CHAIR—What is your question?

Senator BARNETT—I wonder how you respond to those two inconsistencies. The final point I want to make is that at the time you criticised the Deputy Prime Minister, John Anderson, for not approving the project despite the Chudleigh report.

Mr Windsor—I think the Deputy Prime Minister deserved criticism at that stage, not Professor Chudleigh, because he was doing a job. The Deputy Prime Minister was privy to the Regional Solutions grant to establish the feasibility of the equine centre. It was Commonwealth money. Sinclair Knight Merz were engaged. The process of engaging with all of the industry groups across Australia took place. All of the work was done and it was deemed to be feasible. The New South Wales Treasury checked it out and it looked good. I believe—and I cannot prove this but you have asked me the question—there was political interference at that stage. We heard yesterday from the department that it is the minister that—

Senator BARNETT—Can you give us the evidence, Mr Windsor? We have been going through this all the time and we just want the evidence. We have been waiting a long time.

Mr Windsor—The evidence is the outcome. Professor Chudleigh came out with a recommendation that was based on 50 per cent debt, and that is why it was deemed not to be viable. The proposal never encompassed 50 per cent debt. The proposal encompassed the council, the community and the industry putting in for that 50 per cent or a good part of it. There was also some technical work done as to how much debt the centre could carry—and it could carry debt on a certain number of stables. So it seemed odd to me that John Chudleigh, who was so supportive when he came to Tamworth—he embraced the concept of the centre itself and could see all the benefits—could then give us a negative report. I do not know what happened between one point and the next, but it seemed quite odd to me that the 50 per cent debt recognition became the high point of the knock-back.

Senator BARNETT—At the time you actually criticised both Professor Chudleigh and the Deputy Prime Minister. Unless you obviously get it exactly the way you want it people are open to criticism. I will move on to the *Northern Daily Leader* of 10 February 2002 where it is headed up ‘Money that matters—Windsor’ and you are reported as saying:

I look forward to any member of the government, whether it be the Queen of Sheba or the Prime Minister making the announcement for the funding for the National Equine Centre. The important thing is that it happens, not who thinks they are important by announcing it.

Then in your submission—and in fact this is one of the key points in your submission—you complain in terms of the opening about being left off a plaque at the Grace Munro Centre. You say in your submission that it was a deliberate attempt to remove the right of the duly elected member to communicate with his constituents. I do not want to be derisory in this but we are having a Senate inquiry and a key part of your submission relates to your not being on a plaque at the Grace Munro Centre.

Senator CARR—Senator Macdonald has had to apologise for it. We should at least note that too.

CHAIR—You have a question, Senator Barnett?

Mr Windsor—I think you are on my side, actually. That is interesting. This inquiry is about regional partnerships and political preconditions. That is as I understand it. This inquiry asked for submissions. The Grace Munro Centre is a classic example where a senator has used his so-called government pressure to bully a local government authority. That is why I raised it.

Senator BARNETT—Which senator?

Mr Windsor—Senator Macdonald.

Senator BARNETT—Where does he live?

Mr Windsor—Wallabadah.

Senator BARNETT—Where does he work? Where is his office?

Mr Windsor—That is an interesting point actually.

Senator JOHNSTON—If I could just intervene: Senator Macdonald clearly has an office in Tamworth, which is your largest regional town, is it not?

Mr Windsor—Yes.

Senator JOHNSTON—The fact is that you allege that this centre has been subjected by Senator Macdonald to some sort of extortion.

Mr Windsor—Not the centre; the proponent of the centre—the Uralla council.

Senator JOHNSTON—The point is: was the funding conditional?

Mr Windsor—I am not talking about the funding.

Senator JOHNSTON—No, you are talking about the presentation of the plaque. The ceremony is the thing you are complaining about.

Mr Windsor—We are talking about the political pressuring of a local government body to achieve a political outcome, and that is part of the terms of reference.

Senator JOHNSTON—It is about politics and it is about Tony Windsor, isn't it?

Senator BARNETT—I will put a final statement and seek a response. With respect, Mr Windsor, what you have been putting today are your views, and we are looking for the evidence to back up the statements. They are your views, they are in your mind, they are your

recollections of the meeting of May and it is your interpretation. We have talked about Senator Macdonald and John Anderson. You heard earlier the evidence about the preselection and the falling out with the National Party. So I put it to you that this is due in part to your bitterness towards the National Party, the falling out in your relationship with John Anderson and the fact that this was happening in the lead-up to a federal election. A lot of what has happened has given you a great amount of profile and personal benefit. It seems to me that you made these statements without any qualms, and the good reputations of good men have been besmirched and defamed, albeit under privilege—some people would say coward's castle, but it was under privilege. You were willing to damage their reputations for the sake of putting your own views forward and raising your own profile. Do you disagree with that or do you support that contention?

Mr Windsor—I did not refer the matter to the AEC. I was the one who put the National Party into government in 1991 after they had carried out a preselection scam on me. It is a little below the belt to accuse me of being out to get the National Party when it was my vote—the 50th vote in the parliament—that elected them to government. Some people in the National Party remember that.

CHAIR—I think we are getting a bit off the terms of reference here. Just complete your answer, Mr Windsor.

Mr Windsor—I am quite happy to answer the second point though.

CHAIR—Please do.

Mr Windsor—The inference that you are making is that Tony Windsor has done this for some sort of political benefit during a campaign. I polled the electorate long before this started—I think it was back in August; it might have been July. The polling indicated—and it was an expensive poll, not just ask your mother—that I would get 70 per cent of the two-party preferred vote. I did not believe that. I thought, 'Gee, that's high.' The election that took place in November gave me something like 71 per cent. The poll picked the primary vote. People should not suggest that I pulled it out of the hat to try and pick up a few votes. This whole thing had a detrimental effect on my campaign, given the time that was consumed in it, the conversations with the police and the rearranging of diaries. I have maintained right through this that I would not have reported the thing, and I did not report it, but once it was reported and a chain of events were in place I had a decision to make: do I lie or do I not? And I did not.

Senator BARNETT—Just in conclusion, it seems that you have demonstrated no remorse since making your initial allegations, under parliamentary privilege, in terms of the reputations—indeed, the good reputations—of the Deputy Prime Minister and the senator.

CHAIR—Order! Senator Barnett, that is not a question. There is no need to comment or answer that, Mr Windsor. You have not been asked a question; it is just a statement. Are there any further questions from senators?

Senator JOHNSTON—I have two questions, Chair. With this business of you being on the board and then being taken off, you say that Maguire said, 'I had to move you on,' or words to that effect, because he had told the Deputy PM that you had gone. Is that what he told you?

Mr Windsor—At the 19 May meeting—I could dig through this, but I think I can cover it—one of the issues John Anderson raised with Maguire was my involvement with the centre. I think John has said in *Hansard* somewhere that he was concerned about the politics of it. When you look at some of the other regional partnerships and funding arrangements, the local members have not been cast out into the background. He raised that issue at that time. I think he made an assumption that Greg Maguire would remove me. Greg Maguire did not do that. I continued going to board meetings—the last one was probably 30 July. At some time around then there must have been contact made where John Anderson was told or established that I was still involved. That is when the remark was made that I be removed.

Senator JOHNSTON—Maguire told you that he had told Anderson you had gone.

Mr Windsor—Yes, and he said, ‘I’m sorry, Mate; I’ve had to remove you.’

Senator JOHNSTON—‘I’ve had to remove you because I told Anderson that you had gone.’

Mr Windsor—He did not want to upset the Deputy Prime Minister.

Senator JOHNSTON—That is right. But that was, in fact, a lie, wasn’t it? If he had told Anderson you had gone, he was lying to Anderson, wasn’t he, because you were still on the board?

Mr Windsor—No. I think on the first immediate occasion after the contact—I do not know when that second contact was—but on the first occasion he could, he informed me—

Senator JOHNSTON—That ‘I have told Anderson that you had gone.’

Mr Windsor—Yes.

Senator JOHNSTON—And that was a lie.

Mr Windsor—It was not, when he told me that he would remove me.

Senator JOHNSTON—So you just went. He did not remove you; you just went. You said, ‘Oh, I’d better go.’

Mr Windsor—The reason I raise that in this forum is that it is an example of political pressure working in a subtle form, through funding mechanisms, to create some political preconditions.

Senator JOHNSTON—That is an example of Maguire being in the middle and playing two sides off against each other and telling them all sorts of funny stories. Isn’t that right?

Mr Windsor—That is your interpretation. You are quite able to have that.

Senator JOHNSTON—You had a photograph taken of yourself with the New South Wales Premier during your election campaign—I think it related to the equine centre—and you took out Maguire from that photograph. That is true, isn’t it?

Mr Windsor—Yes.

Senator JOHNSTON—Why did you do that?

Mr Windsor—I okayed it with him too.

Senator JOHNSTON—Why did you do that?

Mr Windsor—I did not want to jeopardise the federal funding.

Senator JOHNSTON—When was that done?

Mr Windsor—It is in a newsletter.

Senator JOHNSTON—When was the newsletter? Can you table it for us?

Mr Windsor—We would be able to get one, yes.

Senator JOHNSTON—We would be interested to know when it was. Tell me why you say that his presence in that photograph would have jeopardised the funding. He is going to jeopardise the funding now; tell me why.

Mr Windsor—We did not want to compromise it and he did not want to either.

Senator JOHNSTON—You took him out.

Mr Windsor—Yes. He was aware of that.

Senator JOHNSTON—Why did you take him out?

Mr Windsor—Because we did not want to put him in a difficult position when he was dealing with Anderson and also with the Premier. But I will get you a copy of it.

CHAIR—Please provide us with a copy. I have to say that I am not sure how this is relevant to the processes of funding the equine centre. It may be relevant to the publicity surrounding your election campaign.

Senator JOHNSTON—Chair, I can tell you. Maguire is the one who has chaired the board and driven the whole project and Mr Windsor, in promoting his involvement with the Premier on announcement day, has taken him out of the photo.

CHAIR—That is a matter for you to raise—

Senator JOHNSTON—I just have.

CHAIR—in your consideration of the evidence.

Senator JOHNSTON—So could it be tabled for us?

CHAIR—Mr Windsor has indicated that he will table it. Mr Windsor, you have said that Mr Maguire okayed it. When he did, did you speak to him and tell him that you would put this photo in the newsletter in that form?

Mr Windsor—And we had another photo with him in it too in another newsletter at another period of time.

CHAIR—There was a photo in the newsletter of you with Mr Maguire?

Mr Windsor—Yes. I can table that one too.

CHAIR—Is it the same newsletter?

Mr Windsor—No.

CHAIR—Please table that one as well. Mr Windsor, there being no further questions, I thank you for coming today.

Mr Windsor—Thank you, Senators.

Committee adjourned at 4.56 p.m.