



**INDEPENDENT LIQUOR AND GAMING AUTHORITY OF NSW**

**INQUIRY UNDER SECTION 143 OF THE CASINO CONTROL ACT 1992 (NSW)**

**THE HONOURABLE PA BERGIN SC  
COMMISSIONER**

**PUBLIC HEARING  
SYDNEY**

**FRIDAY, 9 OCTOBER 2020  
AT 11.29 AM**

**Continued from 8.10.20**

**DAY 40**

Any person who publishes any part of this transcript in any way and to any person contrary to an Inquiry direction against publication commits an offence against section 143B of the *Casino Control Act 1992* (NSW)

**MR S. ASPINALL as counsel assisting the Inquiry**  
**MS R. ORR QC appears for Crown Resorts Limited & Crown Sydney Gaming**  
**Proprietary Limited**  
**MR A. D'ARVILLE appears for CPH Crown Holdings Pty Ltd and Mr Packer**  
5 **MS N. CASE appears for Melco Resorts & Entertainment Limited**  
**DR M. COLLINS QC appears with MS FOLEY for Mr Mitchell**

10 COMMISSIONER: Thank you. Yes, Mr Aspinall.

MR ASPINALL: Commissioner, Mr Mitchell is the next witness.

COMMISSIONER: Yes, thank you. Mr Mitchell, can you hear us?

15 MR MITCHELL: Yes, good morning, Commissioner.

COMMISSIONER: Good morning, Mr Mitchell. Do you wish to take an oath or make an affirmation to give you evidence?

20 MR MITCHELL: An oath, Commissioner.

**<HAROLD CHARLES MITCHELL, SWORN**

**[11.29 am]**

25

**<EXAMINATION BY MR ASPINALL**

30 COMMISSIONER: Yes. Thank you, Mr Mitchell. Yes, Mr Aspinall.

MR ASPINALL: I understand there may be some new appearances.

COMMISSIONER: Yes.

35 DR M. COLLINS: Yes, good morning, Commissioner. My name is Collins, I appear with MS FOLEY for Mr Mitchell.

40 COMMISSIONER: Yes. Thank you, Dr Collins. Dr Collins, in respect of the written submissions that I have received that have been drawn to my attention in respect of the matter that you raised within them, there will be no – as I understand it, no difficulty that arises. But if it does, please feel free to object, of course, on the way through.

45 DR COLLINS: Thank you, Commissioner.

COMMISSIONER: Yes. Yes, Mr Aspinall.

MR ASPINALL: Thank you, Commissioner. Could you give us your full name please, Mr Mitchell?

MR MITCHELL: Yes, Mr Aspinall, Harold Charles Mitchell.

5

MR ASPINALL: And your address is known to this Inquiry, I presume?

MR MITCHELL: Yes.

10 MR ASPINALL: What is your occupation, sir?

MR MITCHELL: Retired advertising executive.

MR ASPINALL: Do you have any academic qualifications?

15

MR MITCHELL: No, I don't, Mr Aspinall.

MR ASPINALL: Could you give us a precis of your work history, please.

20 MR MITCHELL: I will be short but I'm happy to do that. I commenced work in the advertising industry in approximately 1960, I think, August. Worked for a period of time through three advertising companies until 1976, when I formed a media buying service as it was called; it ultimately was known as Mitchell and Partners, and that was a company that I owned and it went through various iterations through  
25 until 2010. And along the way, a public company called Emich in approximately 1999 which dealt in digital media. And 2010, I believe it was, I sold with the shareholders because it was a public company by now, it had become 2008, all of our interests. Sold those interests into a company called Aegis, which was a major world media-buying company, a similar industry. And then held shares in that company  
30 through until approximately early, I believe, 2013 when the company Aegis was taken over by a Japanese company called Dentsu.

MR ASPINALL: You described the listing of variety entities, Mitchell and Partners became a public company; is that right?

35

MR MITCHELL: It did, yes. I can't recall - - -

MR ASPINALL: When was that?

40 MR MITCHELL: I can't quite recall, you have probably got the history there. I believe it was 2008, I think.

MR ASPINALL: I see. And you told me about the various movements of shares but were you working for those entities?

45

MR MITCHELL: Yes, Mr Aspinall. I was the chairman of the company here in Australia until it – until it sold itself into the company called Aegis and from that

point, I – I might say, Commissioner, that I have lost a number of the pictures. I don't know if that's - - -

COMMISSIONER: Yes, they are all still there, Mr Mitchell.

5

MR MITCHELL: Thank you, Commissioner, yes. So to continue, Mr Aspinall, by 2010 as the company was essentially taken over, although there was a share deal that did that into Aegis, I became a director of the world-wide company Aegis through until, as I said, early 2013, I believe, when the entire company was bought out.

10

MR ASPINALL: I'm not familiar with the advertising industry but in terms of the work you actually did, can you give me a description of the type of things that you do or have done in the last sort of - - -

15 MR MITCHELL: Yes, essentially - - -

MR ASPINALL: .....

MR MITCHELL: Yes, I'm happy to, Mr Aspinall. Essentially, it was as a media buyer, acting on behalf of a range of clients as an intermediary, if you like, between those advertiser companies and the media itself, the whole range of media, and that's what it was world-wide. Generally known as media-buying services.

20

MR ASPINALL: I see. So is it somebody who wants to place an advertisement come to you and say, "Can you find me somewhere to display it" be it television, radio, the internet, that sort of thing.

25

MR MITCHELL: Yes, at its simplest, Mr Aspinall; that's the case.

MR ASPINALL: I don't mean to make light of what you do; I'm just trying to understand.

30

MR MITCHELL: .....

MR ASPINALL: But that's right.

35

MR MITCHELL: Thank you. Yes, that's correct. Yes, correct.

MR ASPINALL: And I was wondering – my notes say that you have been a director of Crown since February 2011; is that correct?

40

MR MITCHELL: That's correct, yes.

MR ASPINALL: You are still a director at the moment.

45

MR MITCHELL: I am, yes.

MR ASPINALL: Can you tell us how you came to be a director of Crown? I think it would have been Crown Limited at that time.

5 MR MITCHELL: I can't recall the name. Sorry, I just missed the first part of what you said, Mr Aspinall.

MR ASPINALL: I was just wondering if you could tell us how you came to be a director of Crown?

10 MR MITCHELL: Yes. Yes, of course. I was invited to be a director. The chairman at the time was Mr James Packer.

MR ASPINALL: And can you recall the nature of the invitation?

15 MR MITCHELL: It was as simple as that. It was a telephone call, a discussion, a meeting of course. Presumably the board then approved it and it took place. So that was it.

20 MR ASPINALL: I see. So you don't know the iterations of what happened behind the scenes, you were just then appointed; is that right?

MR MITCHELL: I was, yes.

25 MR ASPINALL: Do you have to make any formal application or anything like that?

MR MITCHELL: No, I don't believe that I did at the time. And I don't believe that it was necessary in that way.

30 MR ASPINALL: I see. Now, I just want to skip ahead a little bit in regard to that process. I know that you've been a member, shortly after you came on to the board of remuneration and nomination committee.

35 MR MITCHELL: I think the name now is the people, remuneration and nomination committee – I think.

40 MR ASPINALL: Yes, that's right. I just wanted to take you to the charter of that committee, which is at exhibit AG3, which is INQ.010.004.0523. That will be on the confidential link and it should be behind your – you should be able to see it on your screen, Mr Mitchell.

MR MITCHELL: Is it on the screen? Thank you.

45 MR ASPINALL: I hope so. Can you see anything?

MR MITCHELL: We're right, yes, okay. I can.

MR ASPINALL: You see that's the charter for that committee?

MR MITCHELL: I've got page 1; you might like to take me to something in it, if you like.

5

MR ASPINALL: Yes, I will take you to 0525, and in the first paragraph there if we could blow that up. It says:

10 *The role of the committee is to assist the board develop, maintain and implement policies in relation to selection and appointment practices for directors, for the remuneration of directors and relevant executives.*

Do you see that?

15 MR MITCHELL: Yes, I have that. Yes.

MR ASPINALL: And has that been the function of that committee for while ever you have been on it?

20 MR MITCHELL: It has been.

MR ASPINALL: I just wanted to ask you about the first one, 1 (a), the selection and appointment practices for directors. Can you give me an understanding of how that happens, how does someone come to be appointed as a director?

25

MR MITCHELL: Yes, in the case of Crown – other companies I don't know – the selection, the first part of it, would be from within the board, generally, suggesting a name, appropriate discussions, etcetera. And our practice to date is that each of the directors would have emanated that way. Forgive me, my little dog barked, and I should say, Commissioner, I should thank you for allowing me to do this from home in Melbourne. We're under a little bit of duress. So if my dog barks every now and then, Mr Aspinall, I apologise. So it's done within the board. We all have dogs, forgive me.

30

35 MR ASPINALL: In terms of the actual practice who makes the suggestion - - -

MR MITCHELL: ..... probably introduce.

MR ASPINALL: That's your dog.

40

MR MITCHELL: Yes. Forgive me, Mr Aspinall.

MR ASPINALL: That's all right. In terms of the practice, who actually makes the suggestions for the directors, and in your case it was obviously Mr Packer?

45

MR MITCHELL: Well, in my case, it was Mr Packer and the chairman would have a big role in it, and I see you're speaking to the current chairman, Ms Coonan, later

on, but the chairman would have a real role in it. The job of the committee that I now chair and previously other – others did which I see you are speaking to next week is it would come via that committee. But then it would be the full board that would consider it.

5

MR ASPINALL: I see. So, in practice, am I right in thinking that the suggestions normally come from the chair – chairperson at the time?

MR MITCHELL: Yes, yes.

10

MR ASPINALL: Okay. Have you received nominations directly from Mr Packer since you've been on that committee?

MR MITCHELL: Not that I'm aware of, I must say. And you would have the opportunity, I think, to speak with Mr Dixon about that; he was my predecessor for quite a number of years but I personally - - -

15

MR ASPINALL: And when – when a suggestion is made, is it made known to that committee whether or not the suggestion emanated from Mr Packer, for example?

20

MR MITCHELL: No, not in my – no, no, not that I've known.

MR ASPINALL: All right. And when a suggestion is made, what sort of investigations or considerations does this committee take into account in terms of whether the person is the best person - - -

25

MR MITCHELL: Normally, the person would be – would be known by reputation to – to the whole of the committee. And our most recent people that have joined – and you'll have the opportunity next week to speak with each of them – their qualifications and their background has been known widely and, indeed, to the committee.

30

MR ASPINALL: I see. And what sort of things are you looking for, in terms of a directorial appointment?

35

MR MITCHELL: It varies, I must say, Mr Aspinall. Just thinking back, more recently, skills, in particular, in some of the aspects like gaming machines, etcetera, where we would look at that. Ms Halton, a great career in public service, etcetera. And so they – they would be known to us. And we have a skills matrix, which I'm sure you've been able to look at. And it would want to fit within that in particular ways. So they're the two that most immediately come to mind. Others, back from that, I can't recall new directors we've had more recently than those two.

40

MR ASPINALL: Right. And, obviously, when you joined, you didn't have any experience in casinos; is that right?

45

MR MITCHELL: Not directly, no.

MR ASPINALL: Did you have any understanding of anti-money laundering – money laundering?

5 MR MITCHELL: No. I'd have to be honest and say not at the time. It's – it's over all of the time since being there and more recently, of course, for all of us, that we've had experience with that.

MR ASPINALL: I wanted to - - -

10 COMMISSIONER: Just before you leave the committee, if I may, Mr Aspinall. I'm sorry. Mr Mitchell - - -

MR MITCHELL: Yes.

15 COMMISSIONER: - - - on the remuneration or the people remuneration and nomination committee, you've been on that since 2011 and you're currently still a member of that, I understand; is that right?

20 MR MITCHELL: I am. And having, just recently, since February, I believe, Commissioner, become the chair, but, before that, it was Mr Demetriou.

COMMISSIONER: Yes. Thank you.

25 MR MITCHELL: And Mr Dixon.

COMMISSIONER: Yes. And I also understand that you have been a member of the corporate social responsibility committee - - -

30 MR MITCHELL: I have, indeed.

COMMISSIONER: - - - since 2013.

MR MITCHELL: I have, yes.

35 COMMISSIONER: And what is the role of that committee?

40 MR MITCHELL: Well, I just grabbed, so that I have it here, so forgive me, just looking at it, but it's covered in detail – and if you wish to look later – in the annual report. But I'll just mention just a couple of things, in particular. It's to do with environmental sustainability, Crown pride, the LGBTIQ community, particular work that we do with Indigenous people, the work. So it's Crown, as part of our community, I think, probably, to put it at its simplest.

45 COMMISSIONER: Thank you. Yes, Mr Aspinall.

MR ASPINALL: Just staying with this board charter, Mr Mitchell, if we go over to 0526.

MR MITCHELL: You might have to put that .....

MR ASPINALL: That's the next page, yes.

5 MR MITCHELL: Yes.

MR ASPINALL: And I can tell you it's at the top of the page.

COMMISSIONER: If you could just enlarge the top part of the page.

10

MR ASPINALL: This is in section 3, which starts on the other – the page before, but it says:

*The committee will - - -*

15

These are some of the things the committee is supposed to do, and one is:

*...oversee the induction process is in place for new directors.*

20 Do you see that?

MR MITCHELL: Yes, yes, yes.

25 MR ASPINALL: We heard evidence from Mr Brazil yesterday, who was appointed, obviously, before your time, in 2009, he said that he didn't receive any induction training. Over the time you've been on the remuneration nomination committee, now known as the people remuneration nomination committee, what has been the induction process for new directors?

30 MR MITCHELL: It's been one that's been done individually, I'd have to say. So we don't have a formal process in it, but I'm aware that each of the new directors, indeed, myself, in the beginning, you make sure that you understand the business as best you can and it builds up over a period of time.

35 MR ASPINALL: Were you given any training or information in relation the way in which casinos were regulated, for example?

40 MR MITCHELL: Not – not specifically, I'd have to say. That developed over a period of time, but they were highly regulated, as we well know. Many people in the organisation are responsible for all that's needed with all of that, but not specifically the whole morning on, "Here's is how the regulators work".

MR ASPINALL: And in relation to the anti-money laundering regulations, has there been any training on that front?

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MR MITCHELL: There's training. More recently, I must say, we have a course for directors on anti-money laundering – a formal course – which can be helpful, I

imagine. But we – we have to understand that we have experts on anti-money laundering. I'm not an expert on anti-money laundering, but I'm aware of the – many of the aspects of it. As the course - - -

5 MR ASPINALL: And, I suppose, over time, you became aware of the concept of suitability in terms of the regulation of casinos.

MR MITCHELL: Yes. I have, yes.

10 MR ASPINALL: And you'd be familiar with that in relation to close associates of the casino as well?

MR MITCHELL: Yes, yes, yes.

15 MR ASPINALL: Can you just - - -

MR MITCHELL: I wouldn't say it was the top of my mind, but, yes. I could say yes.

20 MR ASPINALL: Did you pick that up over time or do you remember some time that you happened upon that information?

MR MITCHELL: I – I would say this: that, because I'm in Melbourne, Crown commenced in Melbourne. I'd – I'd been aware of Crown and casinos from – from  
25 almost day 1. Our advertising company, in fact, did the advertising for Crown in those early days. And so I saw that, as we all did. And I – I – I'm very – from the very outside, started to see something of what casinos were, as they operated in Australia, even in Asia. I recall we ran all the advertising in Asia. And so I wouldn't say I'd been an expert for that period of time until I joined in 2010, we're saying,  
30 '11, as a director. And I was aware generally.

MR ASPINALL: And in terms of the potential links between casinos, generally, and organised crime, were you aware of that when you joined the board?

35 MR MITCHELL: No. I have to say I wasn't. I wasn't aware of that.

MR ASPINALL: You hadn't picked up sort of any information that that had happened in America in, say, Las Vegas?

40 MR MITCHELL: Many things about Las Vegas, some believable, some not. I wasn't directly aware, other than back to the – all of the days of Frank Sinatra in Las Vegas, etcetera. So, no.

MR ASPINALL: In terms of this requirement in – sorry.  
45

COMMISSIONER: Just so I am clear. Mr Mitchell, is it the case that you were aware of the potential links between casinos, generally, and organised crime is the question?

5 MR MITCHELL: Yes.

COMMISSIONER: And I think you said you weren't aware of it, but are you aware of it now?

10 MR MITCHELL: Yes, I am. I am, Commissioner. Yes.

COMMISSIONER: Yes. And when – when was that knowledge? When did that knowledge come to you?

15 MR MITCHELL: Yes. Only – only more recently, I imagine. Events right now, of course, your own commission, but, generally, I guess, during the last four or five years to some extent, but not deeply – not deeply, Commissioner.

COMMISSIONER: Yes. Thank you. Yes Mr Aspinall.

20

MR ASPINALL: And, on the same note, Mr Mitchell, what about an awareness that casinos might be vulnerable to being used for money laundering. Were you aware of that when you joined?

25 MR MITCHELL: I was broadly aware of that too, of course.

MR ASPINALL: Okay.

MR MITCHELL: I mean, it's a cash business. Yes.

30

MR ASPINALL: And was there any increase in your level of concern about that during your tenure on the board?

35 MR MITCHELL: No. Only the most recent time, I'd have to say. I mean, there have always been anti-money laundering matters that has come to the board as – as an item. Not an item of great concern, I'd have to say, but I was aware that it was always possible that we had systems and people that dealt with it.

40 MR ASPINALL: And you said that there was training available for the directors now in money laundering. Have you done that yourself?

MR MITCHELL: Yes, I got 100 out of a 100. And I don't know if it helps, but I passed the - - -

45 MR ASPINALL: How long does that training take?

MR MITCHELL: It doesn't take very long. Maybe half an hour, if you're slow at it, or an hour, something like that.

MR ASPINALL: And it's just done online, is it? There's no face-to-face?

5

MR MITCHELL: No – I don't think it's needed face-to-face, but it – I mean, it can be quite pressing, which is rather good, and it ties also to our program of Know Your Customer, which is not dissimilar in some ways.

10 MR ASPINALL: And was the information in the training new to you?

MR MITCHELL: I would have to say in the technical sense, yes, it was.

COMMISSIONER: When did you do that, Mr Mitchell?

15

MR MITCHELL: I did that, Commissioner, only most recently, I would have to say, in the light of this Inquiry, and we put it together for all of our directors, very appropriate to do, and helpful to some extent.

20 COMMISSIONER: Was that last month or - - -

MR MITCHELL: I think it was in the last month, yes.

COMMISSIONER: Yes, thank you. Yes, Mr Aspinall.

25

MR ASPINALL: Thank you, Commissioner.

I just bring you back to subparagraph (e) on that page we have in front of us, to oversee the induction processes in place for new directors.

30

MR MITCHELL: Yes.

MR ASPINALL: Has the nom and rem committee given any consideration to making that process a formalised matter in recent times.

35

MR MITCHELL: We've only had, I believe, two new directors and that was in the time, I think, of Mr Dixon. He would have been aware of it but – he would be sure – but into the future, it makes a lot of sense as we look to new directors, to oversee an induction process which was formal.

40

MR ASPINALL: What do you think you would be looking to include in that induction process, if it's put in place?

MR MITCHELL: I would think, whilst the people who join public company boards have usually had experience in public company matters and directors and such like; I think in this particular case it's the industry, the particular industry that we're in.

45

MR ASPINALL: And do you see any role – given that the induction process has been sort of an individual-based process so far, do you see any role for existing directors to be put through an induction process or an education process in respect of, say, the way in which the casino industry operates or the regulated?

5

MR MITCHELL: I think, Mr Aspinall, it's – it would make a lot of sense to be continually updated. I think and hope we are but in a formal sense it would make sense to do that.

10 MR ASPINALL: And in terms – from your own perspective, what is your level of understanding of the nature in which casinos are controlled or regulated by legislation?

MR MITCHELL: It's broad. I wouldn't say it's entirely specific but it is broad.

15

MR ASPINALL: You are aware there is in various states Casino Control Acts?

MR MITCHELL: Yes, of course, of course. I mean, I'm not across every detail. There are many lawyers that look at all of those things but I'm aware that we have control in all the States that we operate and we deal elsewhere with other authorities, AUSTRAC, etcetera.

20

MR ASPINALL: Have you read through yourself some of those Acts or not?

25 MR MITCHELL: No, I haven't. No, I haven't.

MR ASPINALL: Have you ever asked for any training or for someone to explain to you what is in there?

30 MR MITCHELL: No, I haven't, not in specific terms, no.

MR ASPINALL: And in terms of an induction process or an education process for directors, do you think there would be some benefit in that occurring in future?

35 MR MITCHELL: I think it would help, I would have to say.

MR ASPINALL: Now, in terms of your duties as director, you are on, at the moment, I think, three subcommittees, is that right?

40 MR MITCHELL: I think it might be two. Two.

MR ASPINALL: I see. I've got you down as being on the social – the corporate social responsibility committee.

45 MR MITCHELL: Yes.

MR ASPINALL: The people remuneration and nomination committee, and also the Crown Resorts Foundation but perhaps that's a different thing, is it?

5 MR MITCHELL: Correct. It's a separate – a separate matter.

MR ASPINALL: I see. Now, in terms of the commitment you have under the directorship in those two committees, the chairman now of the two that you are on?

10 MR MITCHELL: I am, yes.

MR ASPINALL: And what sort of time per month would you have been dedicating to fulfilling those roles?

15 MR MITCHELL: Well, it's trite to say it's whatever is required. But – but on the period especially in this COVID matter, Zooms etcetera, I couldn't put an exact number of hours. As I say, it's trite to say it's as required and in my case, there's no inhibition as to whatever time is needed.

20 MR ASPINALL: It could be a day a month, two days a month, three days a month, do you think?

MR MITCHELL: One day a month. One day a month, I would say, yes, possibly.

25 MR ASPINALL: Has that been fairly constant over the time you have been on the board?

MR MITCHELL: Yes, yes. It's a busy board, I would say.

30 MR ASPINALL: And does the addition of the chairmanship of these committees add much extra time to – that you need to spend?

35 MR MITCHELL: It does. My – I've been chairman, as you know, from what you've undoubtedly looked at of many organisations over a long period of time, and usually the role of the chairman is to help set the direction, to work with the executives that are required, to have the agenda together, follow-up, etcetera. Usually a director might take twice the time of a normal member.

MR ASPINALL: Right. In terms of the remuneration side of the committee - - -

40 MR MITCHELL: Yes.

MR ASPINALL: - - - the people, remuneration and nomination committee, the point we have there on the screen at 3.3 is that executive directors and relevant senior management are the people that you will be setting the level of remuneration for.

45 MR MITCHELL: That's correct.

MR ASPINALL: And what makes somebody relevant in terms of being a senior management that remuneration has to come to your committee.

5 MR MITCHELL: It's an unusual word, I must say, but I think we have set it at a point – I think there's approximately 20 of them, as I recall, who are in the defined senior management and they're set by a salary level at a certain level and above. So about 20 of those.

10 MR ASPINALL: So somewhere there is a list of the people who are deemed to be relevant; is that right?

MR MITCHELL: Yes, there is. There is. That's not to say the others aren't irrelevant but that's the list.

15 MR ASPINALL: Yes. I wonder, do you have a copy of that list?

MR MITCHELL: I don't have it with me, I'm sorry to say. It could be available if you needed it.

20 MR ASPINALL: Yes, I was just wondering what it is actually called, if it has a title so that we could have a look at it.

MR MITCHELL: I don't want to mislead you. I would be happy for us to get that to you so that you could look at it.  
25

MR ASPINALL: And in terms of who goes on the list; do you know who decides that?

30 MR MITCHELL: As I said, it's set at a certain level of an amount of income, salary and above. So that's how we set it.

MR ASPINALL: And in terms of the operations in China, you know that before the arrests there were people operating in China, a Mr Chen?

35 MR MITCHELL: Yes. Yes.

MR ASPINALL: Was Mr Chen's remuneration set by this committee, do you recall?

40 MR MITCHELL: I don't recall that. I might be corrected but I'm almost certain not.

MR ASPINALL: I see. And the other thing which is at 3.4 is incentive plans.

45 MR MITCHELL: Yes.

MR ASPINALL: Do you see that?

MR MITCHELL: I do. Perhaps you could bring it up a little bit more for me, if the operator could do that, just scroll to that.

MR ASPINALL: Yes.

5

MR MITCHELL: I have (a), just (a).

MR ASPINALL: I see, in terms of the incentive plans, are the incentive plans reviewed by this committee?

10

MR MITCHELL: Yes, they are, in two ways: short-term and long-term.

MR ASPINALL: And in terms of the persons to whom you recall dealing with, was Mr Jason O'Connor one of those people?

15

MR MITCHELL: Mr O'Connor would have been. In my time as chairman, Mr O'Connor, I imagine, would have been, but I don't have the particular detail with me. But I would imagine - - -

20 MR ASPINALL: And Mr Felstead - - -

MR MITCHELL: And Mr Felstead - - -

MR ASPINALL: Mr Felstead would be, obviously.

25

MR MITCHELL: And possibly Mr Preston, yes.

MR ASPINALL: And Mr Preston. And Mr Barton when he was the CFO.

30 MR MITCHELL: Mr Barton, as the chief executive, yes.

MR ASPINALL: Mr Theiler.

MR MITCHELL: Mr - the name again?

35

MR ASPINALL: Mr Roland Theiler?

MR MITCHELL: I can't recall that but quite possible.

40 MR ASPINALL: In terms of the short-term incentives and the long-term incentives, in relation to the China operations, do you remember there being any thought given to whether or not those two things might conflict?

MR MITCHELL: What do you mean by that, Mr Aspinall; I'm happy to help you?

45

MR ASPINALL: In terms of whether incentivising short-term returns might be counterproductive to the organisation in the longer term?

MR MITCHELL: I don't believe, Mr Aspinall, that they applied here. They were for the top 20 executives. So this is an organisation that employs 18 and a half thousand people and in the top 20 executives they particularly were, but they never were particular to the point or – I think, if I understand your question, what might  
5 have been what we were doing in China, how that might have affected anyone in particular. They were much broader than that.

MR ASPINALL: Well, we'll come to, in due course, some examples in three areas, which probably you are aware of: the arrests in China, the operations in China, the  
10 operation of junkets.

MR MITCHELL: Yes.

MR ASPINALL: And issues of money laundering, which we've raised with the  
15 directors. You probably, if you've been following the Inquiry, seen that.

MR MITCHELL: I have. Yes.

MR ASPINALL: Have you been following along?  
20

MR MITCHELL: I have, yes. Yes, I have.

MR ASPINALL: You've followed along. So you have seen the evidence before the Inquiry has tended to indicate there's – there's, in certain cases, what we might call a  
25 failure to escalate information which is important - - -

MR MITCHELL: Yes.

MR ASPINALL: - - - from beyond management up into the risk committee or the  
30 board?

MR MITCHELL: I followed that, Mr Aspinall. Yes.

MR ASPINALL: And so when we're talking about incentive plans, it might be  
35 speculated that one reason management might not wish to elevate problems up is because it might interfere with the incentives that they would get if problems were raised and operations were commenced – were ceased or scaled down; do you follow?

MR MITCHELL: I think, broadly. Perhaps you could be specific.

MR ASPINALL: Well, if Mr Felstead or other person's remuneration or incentive is dependent upon getting short-term turnover or profit, then they might be dissuaded or might have a disincentive to raise problems within an area, like China, because  
45 that would impact their incentives; you see?

MR MITCHELL: I wouldn't think so, I'd have to say. I don't think I could agree with that.

5 MR ASPINALL: But in terms of this, the consideration the committee gives – you don't agree with it – but is it the sort of thing that your committee considers when thinking about short-term versus long-term incentives?

MR MITCHELL: Well, you'd to look at how the short-term is set, and it's often linked to the share price and the share price is very separate from all of those matters.  
10 And perhaps you might argue if it's important, but it's set to the share price, really, not the individual part as you were going to, Mr Aspinall.

MR ASPINALL: And so, to your mind, there is – what is the purpose of separating them into short-term and long-term incentives?  
15

MR MITCHELL: The short-term is the year ahead, and that makes a lot – a lot of sense. In 2017, I believe – Mr Dixon would know more. He's very closely involved with us – 2017, I think, was the development more of the long-term. So it would encourage people to look at a longer term over the period, perhaps up to five years.  
20 And that, again, was set to a share price. So it's important, in running any business, that both those things are important. The short-term can be tomorrow, but it's very important to be thinking about all those years ahead and they were simply, as described in their names, that's what they were: short and long-term.

25 MR ASPINALL: But wouldn't you agree that one of the reasons they might be split into those two things is to prevent or dissuade senior management from taking a short-term view of things? To look to the bigger picture to see if what they're doing is sustainable in the long-term. Do you agree with that?

30 MR MITCHELL: Well, as I just said, they do both, don't they.

MR ASPINALL: The Inquiry has spent a fair bit of time examining what happened in China. Are you aware of that?

35 MR MITCHELL: Yes, I am, of course.

MR ASPINALL: And, as I said to you, the tenor of the evidence that's been presented is that certain things which seem now to be fairly important didn't come to the attention of various members of the board, although, that's not always the case.  
40

MR MITCHELL: I've seen that. Yes, Mr Aspinall.

MR ASPINALL: I just wanted to run you through, in your evidence, your awareness of what was happening in China and see if you are aware of certain  
45 matters, if you don't mind.

MR MITCHELL: Of course.

MR ASPINALL: When you joined the board in 2011, what did you find out about Crown's operations in China?

5 MR MITCHELL: I didn't particularly focus on that, and I wasn't aware that it was a major part of what Crown was about.

MR ASPINALL: Did you know anything was happening in China?

10 MR MITCHELL: No. I'd – I'd say it seemed a very minor thing of what they were doing. This is 2011, isn't it? Yes.

MR ASPINALL: How did that change over time?

15 MR MITCHELL: It clearly changed, because the size of the market, as it's described, has changed. The size of the Chinese economy changed and changed so very quickly, and that's how it changed.

20 MR ASPINALL: But do you remember when you found out things were – what was happening in China?

MR MITCHELL: Could you be more specific?

25 MR ASPINALL: Well, you said you didn't have much knowledge about what was happening when you were joining the board in 2011. I was just wondering when that changed and you got some knowledge about what was happening in China?

MR MITCHELL: I couldn't pick a date if, indeed, there was ever such like that. You become aware that the Chinese economy is growing dramatically - - -

30 MR ASPINALL: All right. And once the economy was - - -

MR MITCHELL: - - - and I really couldn't ..... sorry?

35 MR ASPINALL: Once the economy was growing dramatically.

COMMISSIONER: Please don't speak over the top.

MR ASPINALL: I'm sorry.

40 COMMISSIONER: I didn't hear that. I'm sorry, Mr Mitchell. What did you say?

45 MR MITCHELL: Yes. I think, as I recall, Commissioner, I became – because of the background of my advertising business, I was aware the Chinese economy was changing dramatically and growing. So, within that, the Chinese middle class, wealthy Chinese people, etcetera. But, as it relates to Crown, Commissioner, there was no particular time I could say, suddenly, I realised that the Chinese market was

bigger in relation to Crown, in a particular month or year or time. But I couldn't deny that we were all becoming aware of the importance of China, that was all.

COMMISSIONER: Thank you. Yes, Mr Aspinall.

5

MR ASPINALL: And in terms of once you did become aware that China was becoming a bigger market or a bigger economy, what did you understand Crown was doing there?

10 MR MITCHELL: I – I didn't have a direct thought. I'd have to say, Mr Aspinall, it's said we are now particularly focusing on – on China because of that. Crown is a big company that does many things, all important; this no less, I'd say. But, no, I couldn't answer you directly and say at some point did I understand what we might have been doing there.

15

MR ASPINALL: I see. So, up until the arrests, did you understand that Crown had employees in China?

MR MITCHELL: No, I didn't, directly. I'd have to say that. I didn't directly, no.

20

COMMISSIONER: What about indirectly?

MR MITCHELL: Even indirectly, I think, Commissioner, to say had I heard or something like that? No. I knew we dealt with China, obviously. It was reported that there many, many Chinese customers, etcetera. But did we have people there on the ground in offices? No.

25

COMMISSIONER: I see. Yes, Mr Aspinall.

30 MR ASPINALL: I see. And I think that might have shortened the number of questions that I needed to ask you. Obviously, you weren't aware there were any offices of Crown in China, registered, unregistered, unofficial or not?

MR MITCHELL: No, Mr Aspinall. No.

35

MR ASPINALL: And, obviously, if you didn't know there were any employees in China, you wouldn't have been made aware that one of those employees was called in to be questioned by the Chinese police - - -

40

MR MITCHELL: No.

MR ASPINALL: - - - at some stage?

MR MITCHELL: No, Mr Aspinall, no.

45

MR ASPINALL: Were you made aware, or did you become aware at any time, that employees of a Korean casino in China had been arrested?

MR MITCHELL: No. No, I wasn't – hadn't been, I beg your pardon.

MR ASPINALL: And I'm presuming that you also weren't aware that a Chinese Government spokesman had announced, following the arrests of the Koreans, that  
5 there was going to be a crackdown on foreign casinos luring Chinese nationals to gamble overseas?

MR MITCHELL: No, not directly. Not directly.

10 MR ASPINALL: Can I show you exhibit M131, which is INQ.100.001.0003.

MR MITCHELL: Should I look for something, or is it on the screen?

COMMISSIONER: Yes. It'll be coming up on the screen.  
15

MR ASPINALL: It should be coming on your screen.

MR MITCHELL: Thank you, Commissioner.

20 MR ASPINALL: See that's an article from Reuters - - -

MR MITCHELL: Yes.

MR ASPINALL: - - - in February 6, 2015?  
25

MR MITCHELL: Yes.

MR ASPINALL: It says in the first:

30 *China will fight attempts by foreign casinos to lure its citizens abroad.*

MR MITCHELL: Yes, yes. 2015, February 6. Yes, I have that.

MR ASPINALL: If we go to the next page, which is 004.  
35

MR MITCHELL: Yes.

MR ASPINALL: You see at the top, the spokesperson is saying:

40 *A fair number of neighbouring countries have casinos, and they have set up offices in China to attract and drum up interest - - -*

MR MITCHELL: Yes.

45 MR ASPINALL:

*- - - from Chinese citizens to go abroad and gamble.*

But you didn't become aware of this?

MR MITCHELL: No. I'm aware of it now, obviously, because of what's been before - - -

5

MR ASPINALL: Do you see in the next paragraph it says:

*He did not elaborate.*

10 And then it mentions:

*...Melco Crown are some of the operators that depend on Chinese gamblers.*

MR MITCHELL: Yes. I'm aware of that now as a result of this Inquiry but, 2015, I  
15 wasn't aware of it.

MR ASPINALL: It just seems fairly remarkable that a man like you, who's  
involved in media, wasn't made aware of the thing. It does refer to Crown,  
specifically. Are you getting – were you getting media monitoring services at this  
20 time?

MR MITCHELL: No, not directly to me, about those sort of things. I wouldn't  
have expected to but, no, I wasn't aware of them.

25 MR ASPINALL: Were you taking an interest in – in the media surrounding casinos,  
more generally?

MR MITCHELL: More generally, probably, I'd say, more generally. But I wasn't  
aware of this.

30

MR ASPINALL: Did you look at the Business Insider?

MR MITCHELL: No. And what do you mean by that?

35 MR ASPINALL: I'll show you another article, which is INQ.100.001.0001. You  
see that's an article in the Business Insider from the 6th of February 2015.

COMMISSIONER: Perhaps you could enlarge the top half.

40 MR MITCHELL: Thank you, Commissioner. Yes.

MR ASPINALL: You see the title China's President Just Declared War on Global  
Gambling?

45 MR MITCHELL: Yes, I see that.

MR ASPINALL: And you see it's basically the same story. It's got the quote that we just looked at.

5 MR MITCHELL: I understand, yes. Yes. I haven't seen this one, I should say. I was aware of the former one, because it's been raised in this inquiry but, no, I wasn't aware of that.

10 COMMISSIONER: So there was no alerting you to the fact that Crown was on the ground in China in 2015 and before, seeking to lure gamblers to Melbourne Crown and – or Crown Melbourne and Crown Perth?

MR MITCHELL: That's correct, Commissioner.

15 COMMISSIONER: Yes. Thank you, Mr Mitchell. Yes, Mr Aspinall.

MR ASPINALL: I suppose, even if you'd seen this article, you might not have been aware of that Crown was doing what was referred to in the article, is that right, because you didn't know what was happening in China?

20 MR MITCHELL: Yes. I – I agree with you, Mr Aspinall; the link might not have been natural.

25 MR ASPINALL: Now, we heard yesterday some evidence from Mr Brazil. Were you watching that?

MR MITCHELL: I was. Yes, I was.

30 MR ASPINALL: Do you remember when he said that, once the China arrests had occurred, he asked for there to be an investigation of – well, he used the word “culpability”. Do you remember him doing that?

MR MITCHELL: I don't remember the exact words. We were all concerned, Mr Aspinall, and Mr Brazil would have been, along with the rest of us.

35 MR ASPINALL: And Mr Brazil said that, when he made that suggestion, he got some “push back” from other members of the board.

40 MR MITCHELL: I heard him – I heard him say that. I – I can't recall that, and I would be surprised, because we were all concerned, as Mr Brazil was. I didn't hear him bang the table, but we were all concerned.

COMMISSIONER: It was a metaphoric banging of the table.

45 MR MITCHELL: He was up the other end of the room from me, anyway. I thought he may have, and I didn't hear it.

COMMISSIONER: All right.

MR ASPINALL: We heard also some evidence given by Ms Siegers. You know Ms Siegers?

MR MITCHELL: Yes, yes.

5

MR ASPINALL: That when she reviewed – when she took up her role, which is relatively recently after the China arrests - - -

MR MITCHELL: Yes.

10

MR ASPINALL: - - - that she didn't look back, in terms of what happened. Do you remember hearing that evidence?

MR MITCHELL: I don't, but I take your word for it. Yes.

15

MR ASPINALL: Was it your view that it was necessary to go back and look at what had occurred carefully so that Crown could learn from what had happened?

MR MITCHELL: Yes. I'd have to agree with that, Mr Aspinall.

20

MR ASPINALL: And do you think that's happening now?

MR MITCHELL: I think I would say of course it is. Of course it is. It must be very difficult to find out in what it was. How could you determine what happened where. But a concern for all of us, as to what happened.

25

MR ASPINALL: And it must have been shocking for you to find out that, number 1, there were people employed in China at the time, and number 2, that they had been arrested?

30

MR MITCHELL: Shocking. Shocking. Terrible.

MR ASPINALL: So in terms of that deficiency at that time did you make inquiries as to how that situation could have occurred that you weren't aware of those things?

35

MR MITCHELL: Yes. Absolutely. Absolutely.

MR ASPINALL: What did you find out?

40

MR MITCHELL: I think over the whole period of time, very little, I would have to say. I think it might have been useful for all of us when Mr O'Connor – Mr O'Connor had asked a similar sort of question, because he seemed – he'd had, so sadly, time to think about it, sitting in a prison cell, eight other people, what was it about. And he said – he said, "Perhaps us as Australians, westerners generally looking at Chinese law, don't look at it the same way that the Chinese look at Chinese law". And that's the best that I can put it at. I was impressed when he said

45

that. I was impressed when he said that. It's a sad moment for us all, Mr Aspinall and Commissioner.

5 COMMISSIONER: But it's not so much the Chinese law; it's the structure of the company and you being kept in the dark, is it not?

MR MITCHELL: Yes. Yes, absolutely. Absolutely.

10 COMMISSIONER: Yes. Yes, Mr Aspinall.

MR ASPINALL: Did you find out anything about the reason why you were kept in the dark or how that could have occurred?

15 MR MITCHELL: It had already occurred. So why; you didn't have to find out why. It had happened, Mr Aspinall. I don't know that anyone was hiding anything. That would not be a service to the people that worked for Crown. But that we didn't know, I put it that way for you.

20 COMMISSIONER: Mr Aspinall has explored with you the good sense in looking to see what happened to learn from it to ensure it doesn't happen again.

MR MITCHELL: Yes.

25 COMMISSIONER: Is it right that you still do not know how it came to be that you were kept in the dark?

MR MITCHELL: Not directly. Not directly, Commissioner.

30 COMMISSIONER: Yes, thank you, Mr Mitchell.

MR MITCHELL: Thank you.

35 MR ASPINALL: Mr Mitchell, one of the other topics that we have been looking at in the Inquiry is junkets. Have you been following that part?

MR MITCHELL: I certainly have.

40 MR ASPINALL: And having seen the evidence that has been given, are you aware now what a junket is?

MR MITCHELL: I think for some time I've heard the word, and I hope I never hear it again, but I've heard it and, of course, I'm aware of what it is.

45 MR ASPINALL: Yes. When did you first become aware of the concept of a junket?

MR MITCHELL: You know, I think that's progressive. That's a bit easier. I think for me probably from about 2015/16 onwards, but it only grew in a greater awareness particularly over the last year, obviously.

5 MR ASPINALL: Did you watch the ABC Four Corners program which was called High Rollers, High Risk, in 2014.

MR MITCHELL: '14, yes. Yes, I haven't reviewed it recently but broadly I'm aware of it, yes.

10 MR ASPINALL: And that program made some fairly concerning allegations about junkets, particularly Macau junkets; do you remember that?

MR MITCHELL: Broadly, yes of course.

15 MR ASPINALL: And in the wake of that, did you try and find out what a junket was and what their nature was?

MR MITCHELL: Well, I knew it was an amalgamation of – we will call them customers, that came as a group to Australia and elsewhere around the world, and it's simple as that.

20 MR ASPINALL: Do you recall the ABC program mentioning at the time that junkets were thought to have links to organised crime?

25 MR MITCHELL: I think I - - -

MR ASPINALL: Triads.

30 MR MITCHELL: I think I would have. I wouldn't have put a lot of weight on it. There's no reason not to, by the way. But at the time I would have believed that we were acting appropriately, lawfully, carefully, etcetera, and so I left it at that. And we had many, many people at management who were dealing with all of these matters. So in my own case, life went on.

35 COMMISSIONER: But you would understand that – with your extraordinary experience in the industry that sometimes when investigative journalists or even journalists without investigative qualities say things, they do require deep investigation by the target of the criticism, don't they?

40 MR MITCHELL: Yes, Commissioner, I understand that. I couldn't deny that; no.

COMMISSIONER: Yes.

45 MR ASPINALL: Mr Mitchell, I know looking at your statement that you thought that some of the reporting that had occurred in the last year in the papers was sensationalised and so forth.

MR MITCHELL: Yes.

MR ASPINALL: Would you have thought that, do you think, about the ABC Four Corners program as well?

5

MR MITCHELL: I hadn't thought of it one way or the other, I would have to say, Mr Aspinall, the way I did in the one you particularly raise here. So I didn't – I didn't try to characterise it any other way but I accept what the Commissioner said, that journalists can be on to something or not. That's the difficulty and, certainly, 10 that's the experience I've had over many years.

COMMISSIONER: But it's the "or not" that is usually more comfortable but when they are, they keep at it. When they keep at it, you see, over the years, as I've said before, Crown has been dogged by these claims and when they keep at it, it does 15 require an analysis, does it not?

MR MITCHELL: Yes, Commissioner, I can't deny any of that, no, no.

COMMISSIONER: Yes, all right. Yes, Mr Aspinall. 20

MR ASPINALL: I just wanted to show you some documents in respect of junkets.

MR MITCHELL: Yes.

MR ASPINALL: The first one is CRL.579.019.3755, which is exhibit AG7. 25

MR MITCHELL: Maybe I have that?

COMMISSIONER: Yes, it will come up on your screen. 30

MR ASPINALL: It should come up on your screen.

MR MITCHELL: Yes. Thank you. Is this – is this the one with measurement of how big junkets are, etcetera? 35

MR ASPINALL: Yes, that's right.

MR MITCHELL: Yes, I have that, Mr Aspinall. Take me to it.

MR ASPINALL: Well, you see it relates to a person at the top called Si Xin Qin? 40

MR MITCHELL: You probably just - - -

COMMISSIONER: In the very top line. 45

MR MITCHELL: Yes, I have that. He probably just disappeared – Crown history, is that the one?

MR ASPINALL: Yes.

MR MITCHELL: I have it here, yes. Thank you.

5 MR ASPINALL: And you can take it from me that this is an internal Crown document?

MR MITCHELL: Yes. Yes, I have that. Yes.

10 MR ASPINALL: Have you seen these type of documents before?

MR MITCHELL: I haven't specifically, no.

15 MR ASPINALL: You see, this one is said in the top right-hand corner to have been updated on 3 January 2017.

MR MITCHELL: I see that, yes.

20 MR ASPINALL: And do you see under the credit limit, it talks about the turnover of Mr Qin?

MR MITCHELL: I see that.

25 MR ASPINALL: Do you see in the top line, there's a turnover in millions?

MR MITCHELL: I see that.

30 MR ASPINALL: You see the turnover is – these are millions, very, very substantial amount of money.

MR MITCHELL: It is, isn't it?

MR ASPINALL: It runs to billions of dollars; do you agree?

35 MR MITCHELL: How many noughts do we add?

MR ASPINALL: We add six noughts.

40 MR MITCHELL: I know.

COMMISSIONER: That's one reading of it.

45 MR ASPINALL: That's one reading of it. But I think we would agree that this is a substantial - - -

MR MITCHELL: I'm not sure it's the six noughts, Mr Aspinall, but press on.

MR ASPINALL: You see in the bottom line of this table, there are two figures for turnovers since October 2016.

MR MITCHELL: Yes.

5

MR ASPINALL: This is being updated in January 2017.

MR MITCHELL: Yes.

10 MR ASPINALL: And you can see in that time it appears the turnover was nearly a 100 – well, over a 100 million.

MR MITCHELL: Between the two cities?

15 MR ASPINALL: Yes, it seems like this was updated in 2017, January, and turnover since October 2016, so two months before - - -

MR MITCHELL: Yes.

20 MR ASPINALL: - - - is listed there.

MR MITCHELL: Yes.

25 MR ASPINALL: And if that's in millions, then the turnover at the top doesn't seem so fantastic.

MR MITCHELL: I'm not sure I follow, but press on with the point you want to make.

30 COMMISSIONER: Just pause for a moment. If you read the table - - -

MR MITCHELL: Yes.

35 COMMISSIONER: - - - as a million dollar figure, that is, in both the turnover and the turnover since, just assume that, and for the purposes of your question, Mr Aspinall, perhaps you could add three zeros.

MR MITCHELL: Correct.

40 COMMISSIONER: So that the bottom line is in millions and that's why Mr Aspinall has referred you to over 100 million. You accept that that's the case, do you see?

MR MITCHELL: That's right, Commissioner, correct. Correct.

45

COMMISSIONER: Yes, Mr Aspinall.

MR ASPINALL: If that is right and we see in the top box that this seems to go back to 2008, the credit limit with 50 million was established in 2008?

5 MR MITCHELL: It was, yes. Yes, 50 million. And that - - -

MR ASPINALL: Then it - - -

10 MR MITCHELL: Yes. That sets the parameters, doesn't it, whether it's millions or billions.

MR ASPINALL: Correct.

COMMISSIONER: Yes.

15 MR ASPINALL: And so in the top line there giving the turnover, we seem to be talking about the turnover between 2008 and 2017, so nearly 10 – or nine years.

MR MITCHELL: Possibly. It doesn't make that absolutely clear, but I'm prepared to keep going with it.

20 MR ASPINALL: I suppose the point is that it seems from this document, that Crown have been dealing with this man for a long time, that he had a very substantial turnover.

25 MR MITCHELL: Despite the numbers, I accept your point. This man was – it's not clear on my document here – Mr Qin, it is?

MR ASPINALL: Correct.

30 MR MITCHELL: Yes.

MR ASPINALL: And now I wanted to invite your attention down to the fourth line of the table.

35 MR MITCHELL: Fourth line, yes.

MR ASPINALL: Entitled World-Check.

40 MR MITCHELL: I don't have it directly. Fourth line.

COMMISSIONER: On the page.

MR MITCHELL: I beg your pardon, thank you. I have it, yes. Fourth – though not line, it's rather section, isn't it. I have that yes.

45 MR ASPINALL: You see the second line there says that he was reportedly detained in 2012 in China for alleged involvement in money laundering?

MR MITCHELL: Yes, I see that. I wasn't aware of that.

MR ASPINALL: If we go down to the Wealth Insight report - - -

5 MR MITCHELL: I have that, yes.

MR ASPINALL: - - - you see he was, again, said to be:

10 *...detained in 2012 at Wynn Macau, allegedly found engaged in illegal underground banking activities. He was brought back and detained in China where it is alleged the arrests were possibly in relation to money laundering.*

MR MITCHELL: Yes, I had not seen this.

15 MR ASPINALL: Yes, and then we see down at the C6 group, which is at the bottom.

MR MITCHELL: I have that, yes.

20 MR ASPINALL: Again, it says:

*Detained by the Chinese authorities on suspicion of illegal banking activities and money laundering. Not verified by official sources.*

25 MR MITCHELL: No, no.

MR ASPINALL: If we go over the page.

30 MR MITCHELL: Okay. There's a picture of him.

MR ASPINALL: There's a picture of him but there's also a notation that the Wall Street Journal in December 2012 had reported that he been detained in China for alleged underground banking activities.

35 MR MITCHELL: Yes. Yes, I hadn't seen that - - -

MR ASPINALL: Do you accept that based upon that, that this man appears to have significant links to money laundering or other unsavoury activities?

40 MR MITCHELL: Well, significant or otherwise, but links certainly. Certainly.

MR ASPINALL: And he is not the sort of person you would want to be dealing with, presumably?

45 MR MITCHELL: No, no, no.

MR ASPINALL: I want to now take you to CPH.001.700.0089.

MR MITCHELL: CPH.

COMMISSIONER: Is that an exhibit?

5 MR ASPINALL: I hope so. AG7.

COMMISSIONER: Thank you. Exhibit AG7, is it?

MR ASPINALL: AG81.

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COMMISSIONER: AG81.

MR ASPINALL: Do you have that?

15 MR MITCHELL: I do. This is Mr Qin.

MR ASPINALL: This is an email from Mr Ratnam to Mr Packer on 19 March.

MR MITCHELL: Yes, I see that.

20

MR ASPINALL: And it says:

*This is Mr Qin, the guy who got us at the start of the year here in Perth now.*

25 MR MITCHELL: Yes.

MR ASPINALL: And if we turn to 0090, which is exhibit AE2.

MR MITCHELL: Yes.

30

MR ASPINALL: You see there's a photograph of Mr Felstead with his arm over Mr Qin's shoulder?

MR MITCHELL: Yes. That's Mr Qin. I see that. I see that.

35

MR ASPINALL: I want to now show you CRL.001.004.0422, which is tab 9.

MR MITCHELL: You would put that on the screen for me? Thank you.

40 MR ASPINALL: I can, yes. Could you blow that up the top half please for Mr Mitchell.

COMMISSIONER: Just enlarge it, please. Thank you.

45 MR MITCHELL: Junkets ..... Yes. I haven't seen this. No.

MR ASPINALL: No. But you see it's from Mr Qin?

MR MITCHELL: Yes, I do. I do.

MR ASPINALL: But it is dated October last year?

5 MR MITCHELL: It is. I see that.

MR ASPINALL: You see it appears that he is running a junket, he is the patron.

10 MR MITCHELL: It would appear to be that's exactly what it is, yes. I wasn't aware of it.

MR ASPINALL: No. That was exhibit AE3.

15 COMMISSIONER: Thank you, Mr Aspinall.

MR ASPINALL: So it's fairly clear, isn't it, on what I've shown you, that Crown was aware, from at least 2016, potentially earlier - - -

20 MR MITCHELL: Yes.

MR ASPINALL: - - - that Mr Qin had potential links to money laundering and other organised crime - - -

25 MR MITCHELL: Yes.

MR ASPINALL: - - - activities. But it appears from the photograph in the email sent to Mr Packer that Crown was quite happy to have him as a customer; do you agree?

30 MR MITCHELL: "Happy" is your word. As I look at all of this material, I wouldn't have thought so, but he was.

35 MR ASPINALL: Well, the photograph we saw was – appeared to be Crown – Mr Felstead entertaining Mr Qin, didn't it?

MR MITCHELL: Yes. Yes. I don't - - -

MR ASPINALL: ..... they both had drinks in their hands.

40 MR MITCHELL: They did.

MR ASPINALL: And looked quite happy. You weren't aware of this, of course?

45 MR MITCHELL: No, no, not at all. Not till now.

MR ASPINALL: It doesn't indicate – though, doesn't it indicate to you that Crown's vetting processes or the standards that it accepted, in terms of dealing with junket operators were not good enough; you agree?

5 MR MITCHELL: Absolute concern. Not good enough. Absolute concern.

MR ASPINALL: Can I show you now a statement, which is a bank statement from Southbank Investments, which is CRL.563.001.0533.

10 MR MITCHELL: Yes.

MR ASPINALL: Exhibit BAZ – I'm sorry, BA201. You see that's a bank statement from Southbank?

15 MR MITCHELL: I see that.

MR ASPINALL: I'm just looking for the particular entry.

20 MR MITCHELL: Yes. I was doing the same thing. It doesn't appear to be on that page.

COMMISSIONER: If you could just wait for Mr Aspinall, Mr Mitchell, I'd be grateful.

25 MR ASPINALL: It's – I want to take you to 0536, if I may.

MR MITCHELL: Okay.

30 MR ASPINALL: See if we go down to the first entry for 13th of March - - -

MR MITCHELL: The first - - -

MR ASPINALL: There's an entry – there's an entry there. Do you see that?

35 MR MITCHELL: I see that.

MR ASPINALL: For \$5 million.

40 MR MITCHELL: I see that.

MR ASPINALL: Do you see it's made by a person with one name to the credit of Mr Qin.

45 MR MITCHELL: Yes.

MR ASPINALL: Do you see that? Are you aware of any difficulties that that sort of transaction might present in terms of money laundering?

MR MITCHELL: I can't speculate on all of the material here, because I wasn't aware of the total amount of it. So I wouldn't want to be an expert in regard to all of this and mislead you.

5 MR ASPINALL: But are you aware, as a general proposition, that where a person deposits money into a casino's accounts for the benefit of somebody else, particularly someone like Mr Qin - - -

MR MITCHELL: I am aware - - -

10

MR ASPINALL: - - - that might be - - -

MR MITCHELL: Yes.

15 MR ASPINALL: That might be concerning?

MR MITCHELL: Yes. I'm aware of the discussion that's been taking place before the Inquiry, but, as to the specifics here, I can't help you any further.

20 MR ASPINALL: I also wanted to take you to document CRL.579.018.5541. If you could enlarge that for Mister - - -

COMMISSIONER: Bottom half, is it?

25 MR ASPINALL: I'll just show you the title of it. It's an email, title Ng Chi Un and Pun Chi Man. That's exhibit BA45.

COMMISSIONER: Thanks, Mr Aspinall.

30 MR ASPINALL: Do you see that, Mr Mitchell?

MR MITCHELL: Yes, I do. I do, Mr Aspinall.

35 MR ASPINALL: Have you heard me – have you heard me discuss, or other counsel assisting, discuss this email with the other witnesses?

MR MITCHELL: Not this particular one, no. I'm sorry. I've I missed this.

40 MR ASPINALL: That's no problem at all. I'll take you to the bottom of that page, if I could.

MR MITCHELL: Yes.

45 MR ASPINALL: And I'll give you some background information. EMP1 is one of Crown's employees in – was one of Crown's employees in China.

COMMISSIONER: I'm aware of that.

MR ASPINALL: And EMP1 was the subordinate of Michael Chen and Roland Theiler who - - -

MR MITCHELL: Yes.

5

MR ASPINALL: - - - are the people referred to higher up in this chain. And EMP1 is asking those people, MC and Roland – MC is Michael Chen and Roland is Mr Theiler – for an extension to bank a personal cheque - - -

10 MR MITCHELL: Yes.

MR ASPINALL: - - - of two people, Ng Chi Un and Pun Chi Man.

MR MITCHELL: Yes, yes.

15

MR ASPINALL: And EMP1 says:

*For background, these two, particularly Ng, are very influential characters in Macau, particularly, the underground network.*

20

MR MITCHELL: Yes, I see that.

MR ASPINALL: And if we go up the page, please, operator. And you see Mr Chen and Mr Theiler make no reference to the fact that EMP1 has just told them that Mr Un, particularly, is a very influential character in the underground network.

25

MR MITCHELL: It would seem not. No.

MR ASPINALL: And we raised this with Mr Preston. And inquiries were subsequently made by Mr Preston with EMP1, who told Preston that, had he been asked, he would have told Mr Preston that they were associated with unsavoury characters and people who might be described as standover men who, in the event that the cheque was deposited and bounced, would inflict violence upon a Crown employee, EMP1; do you see?

30

MR MITCHELL: I accept what you're saying.

MR ASPINALL: And that's why he's asking for the extension from his superiors not to bank it.

35

MR MITCHELL: I – I accept that too.

MR ASPINALL: Can you also accept that this email, on its face, is very concerning to a member of the board?

40

MR MITCHELL: Yes. I can accept that, as a member of the board. I wasn't aware of any of this - - -

MR ASPINALL: No. Of course.

MR MITCHELL: - - - until all of you taking me through this here and you've had the opportunity, as I see, to talk to other people at Crown.

5

MR ASPINALL: Yes. But you agree it's concerning for a couple of reasons: one being that, even though EMP1 has given a big hint that Ng Chi Un associated with organised crime, or the underground network, and Mr Chen and Mr Theiler seem unconcerned by that; certainly, they don't refer to it.

10

MR MITCHELL: No. No. Maybe - - -

MR ASPINALL: And secondly – pardon?

15 MR MITCHELL: Sorry. You're – I can understand all that. Did you have a question, Mr Aspinall - - -

MR ASPINALL: Yes.

20 MR MITCHELL: - - - other than – I've been looking at all of this with you.

MR ASPINALL: Yes. And, secondly - - -

COMMISSIONER: The question was, it's concerning, isn't it - - -

25

MR MITCHELL: Yes.

COMMISSIONER: - - - from the point of view that EMP1 was referring to this?

30 MR MITCHELL: Yes, Commissioner. Yes.

COMMISSIONER: Yes, Mr Aspinall.

35 MR ASPINALL: And, secondly, it would be concerning to you that EMP1 might have been, by reason of his employment for Crown, been potentially exposed to violence by standover men as part of his job?

MR MITCHELL: Well, I accept what you are saying. I accept what you're saying.

40 MR ASPINALL: And that his superiors don't - - -

COMMISSIONER: No, no.

MR ASPINALL: - - - appear concerned by that either.

45

MR MITCHELL: I'm not certain of all of that - - -

COMMISSIONER: No, no.

MR MITCHELL: - - - but, but I'm accepting of the discussion we're having.

5 MR ASPINALL: And I wanted to ask you, in terms of your position on the board, what you think has gone wrong in this circumstance? I assume you'd agree that, in circumstances like this, this issue about this person, Mr Ng and Mr Pun Chi Man, being potentially linked to organised crime should have been elevated to, for example, the risk committee or the board?

10 MR MITCHELL: Well, there's another – of course. Of course it should have, but, on the face of what we're looking at here, it probably shouldn't have happened. I was a board member, I would - - -

15 MR ASPINALL: What do you mean by that?

MR MITCHELL: I beg your pardon?

MR ASPINALL: Do you mean by that it shouldn't have happened?

20 MR MITCHELL: Well, this looks a strange – a strange set of circumstances, I'd have to say. I was on the board. Particular detail of this probably would not have been at the board, but the general position of where all of this goes, you – you believe that it shouldn't just be happening.

25 MR ASPINALL: Yes. And I wanted to explore with you the reasons it might be happening.

30 MR MITCHELL: I can't help you with that, I'd – I'd have to say, other than it seems wrong to be happening.

MR ASPINALL: Well, one reason might be that, mightn't it, that Mr Chen and Mr Theiler don't think this is a problem and so don't – it doesn't occur to them that they should be telling someone about it?

35 MR MITCHELL: Yes, that could be. That could be.

MR ASPINALL: And that would indicate a failure of the corporate culture, wouldn't it?

40 MR MITCHELL: Hopefully, not the whole culture but, certainly, the system. But you would hope the culture is not involved in something like that.

45 MR ASPINALL: Well, I suggest it might be the culture, because, if you look at the top of the page, this email is not only sent to Mr Theiler and Mr Chen but a whole group of people.

MR MITCHELL: Yes, it is.

MR ASPINALL: So it would be surprising that no one amongst that group thought that it should be actioned any further; do you agree?

5

MR MITCHELL: I agree. I agree.

MR ASPINALL: And another reason might be that Mr Chen and Mr Theiler, as we discussed before, have some incentive not to disclose this to anybody else; correct?

10

MR MITCHELL: I don't know what that would be, but I accept that you're putting that to me.

MR ASPINALL: Well, I was just wondering if you think it could be in relation to the way in which they were remunerated or incentivised?

15

MR MITCHELL: I don't believe so. I don't think so. I don't think so.

MR ASPINALL: Why would you say that?

20

MR MITCHELL: I can't see the link, Mr Aspinall, between – between being incentivised and the actions that are taking place here. I mean, you can look at the actions that are taking place and say that shouldn't have happened. The incentive

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25

MR ASPINALL: Well, Mr O'Connor – Mr O'Connor was on this email, cc'd, you see.

MR MITCHELL: I saw that. I saw that. Yes.

30

MR ASPINALL: And he was one of the people for whom you were approving incentive schemes and incentive plans – remuneration; correct?

MR MITCHELL: His total remuneration; that's right.

35

MR ASPINALL: And he would have had short-term and long-term incentive plans?

MR MITCHELL: He would have, I believe, both, yes. Yes.

40

MR ASPINALL: I'm just wondering in terms of - - -

MR MITCHELL: He was on the list. I agree with you.

MR ASPINALL: Assuming that Mr Ng and Pun Chi Man were significant clients of the Casino.

45

COMMISSIONER: Of Crown.

MR ASPINALL: Yes. Of Crown - - -

MR MITCHELL: Crown.

5 MR ASPINALL: - - - wouldn't the incentive to garner revenue or make a profit for the casino disincentivised those people from doing anything that might put that stream of revenue in jeopardy?

10 MR MITCHELL: Perhaps you could put that more simply, Mr Aspinall.

COMMISSIONER: Well, let me just see if this - - -

MR MITCHELL: Thanks Commissioner.

15 COMMISSIONER: You see, what's being put to you is, if their incentive plans – their bonuses - - -

MR MITCHELL: Yes.

20 COMMISSIONER: - - - rely on what they get in, then this process of ensuring that they continue to deal with someone so they can get the money in to reflect in their bonuses - - -

25 MR MITCHELL: Yes.

COMMISSIONER: - - - you might see a problem of the tension between behaving in a corporately legal fashion - - -

30 MR MITCHELL: Yes.

COMMISSIONER: - - - and making sure they get their bonuses; do you agree?

MR MITCHELL: Now you put that properly, Commissioner, I understand that.

35 COMMISSIONER: Do you agree?

MR MITCHELL: I agree. Yes.

40 COMMISSIONER: Yes, Mr Aspinall.

MR ASPINALL: And in terms of the way in which you might modify an incentive plan, such that reporting of this sort of activity was encouraged, can you think of a way in which that might be done?

45 MR MITCHELL: I think that's – just put that again to me?

MR ASPINALL: Well, we see, here, on the facts that I've asked you to assume, that Mr Theiler and Mr Chen and the others had not reported this up to the risk committee or any – or the board.

5 MR MITCHELL: Yes.

MR ASPINALL: I think we have agreed that this is a fairly significant piece of information that should have been passed up; do you agree?

10 MR MITCHELL: Yes, for the moment, I will say – I agree, of course. Of course.

MR ASPINALL: And assuming that they didn't, can you think of some way in which incentive plans can be changed such that they would be encouraged to do that?

15 MR MITCHELL: To not do it or to send it up?

MR ASPINALL: No, to act properly and do it. How would you incentivise them to do it?

20 MR MITCHELL: I don't know if you can do that through a financial incentive, that is, do the right thing. The culture of the organisation is to do the right thing, and where that's not happening, that's wrong. That's wrong. It's as simple as that. I'm not sure how you could do that through an incentive plan. The incentive plans – the ones that I deal directly, of course, they're at a much higher level and above all of  
25 this but drilling right down to the next level, Mr Aspinall, I'm not quite sure how you could say, "Here is an incentive to do the right thing". You would like to think that that's what they do all the time, and they don't need an incentive to do it.

30 MR ASPINALL: One way might be, if you can bring to the risk committee a credible case where someone we're dealing with has links or potential links to organised crime, that will contribute to your bonus, mightn't it? That would encourage people to be on the look-out for this sort of thing, wouldn't it?

35 MR MITCHELL: It would. It would, but that's a long bow, I would have to say, in a big organisation. You'd rather you had a culture and systems that meant it didn't have to be incentivised to do the right thing, Mr Aspinall, I would say. But you know, we could – I'm not sure whether that's the best way to do it. That is, here is more money if you do the right thing. Let's make sure we have got people who do the right thing.

40

COMMISSIONER: Or here's less money for doing the wrong thing?

MR MITCHELL: Absolutely, Commissioner. That's it.

45 COMMISSIONER: Yes, Mr Aspinall.

MR MITCHELL: Or you're out the door.

MR ASPINALL: Well, yes. I suppose the problem with less money for doing the wrong thing is that that encourages someone to hide the wrong thing.

MR MITCHELL: Yes, it's a bit of a tangled web here we are weaving but possibly.

5

COMMISSIONER: Yes, in any event it wasn't hidden here.

MR MITCHELL: No.

10 COMMISSIONER: Yes, Mr Aspinall.

MR ASPINALL: I wanted to raise with you this issue because as I understand it, some organisations give bonuses or incentives based upon demonstrated compliance.

15 MR MITCHELL: Yes.

MR ASPINALL: Or a demonstrated history of compliance.

MR MITCHELL: Yes.

20

MR ASPINALL: Has your committee given any consideration to whether or not that sort of incentive program could be adopted?

MR MITCHELL: Well, at the higher levels, we do. It's a whole range of other matters about how the company operates, what it does, its reputation, all of those things I had when I was looking at this morning, in particular. But a part of our upper levels, people are rewarded of course, with the financial aspects of the organisation but also all of the others which includes compliance. And so it's within the system. How far down it might go, I'm not sure; how far down it should have to go. But at the upper levels, around 40 per cent, I think, of one that I looked at this morning, particularly our chief executive is about the financial aspects. The rest is about what we are as a company.

25

30

COMMISSIONER: Can I just understand that. When you say 40 per cent - - -

35

MR MITCHELL: Yes.

COMMISSIONER: - - - to what does the 40 per cent relate? Is that an incentive payment in respect of compliance, is it?

40

MR MITCHELL: No, no, no, Commissioner. I thought it might crop up at another time and I should have had it more handier, but I looked in particular at - and we have it in our annual report which is why I'm flicking through it so forgive me, I might not find it. But 40 per cent might apply directly to - to the overall financial performance of the company as measured in different ways. But the other - - -

45

COMMISSIONER: Yes, I see.

MR MITCHELL: We can probably send it to you, I would think, and you could look at that - - -

COMMISSIONER: We have it, I think.

5

MR MITCHELL: Yes, I was aware of your earlier comment about people just pushing to make money for an organisation and pushing everything else aside, and at the levels that I operate at within our organisation, that's not the case.

10 COMMISSIONER: So 40 per cent of the payments to the chief executive is based on the financial performance of the company; is that what you are telling me?

MR MITCHELL: Yes, and I do have it so - - -

15 COMMISSIONER: That's all right.

MR MITCHELL: It's probably worth, in the overall view, in the longer term that you have to report on, others are - - -

20 COMMISSIONER: Just pause for a moment. I just want to understand. You said to Mr Aspinall that you do have incentivisation in respect of compliance and I wanted to understand what that system was to which you were referring. It's not the 40 per cent, it's something else, is it?

25 MR MITCHELL: No. So no, no, no, and later but not now but I'm happy to do it now but the headings are, just to have in your mind, financial, one, capital structure and investments, customer service and experience, yes and I come to the one, governance risk and compliance. And that's a percentage against the total for a chief executive, for instance. Our people and our culture and occupational health and  
30 safety, etcetera. So for another time I would draw your attention to that.

COMMISSIONER: Just let me see if I can understand what you have said to Mr Aspinall.

35 MR MITCHELL: Yes.

COMMISSIONER: There is an aspect in the organisation which is linked to performance and compliance. That is that the chief executive's salary – I withdraw that, the chief executives emoluments include a percentage relating to whether there  
40 has been compliance in respect of governance and compliance; is that right?

MR MITCHELL: Correct. And the words are governance, risk and compliance, and it's all outlined - - -

45 COMMISSIONER: Yes, and what's the percentage on governance, risk and compliance?

MR MITCHELL: That is 15 per cent.

COMMISSIONER: 15 per cent, yes, thank you. Yes, Mr Aspinall, I'm sorry to interrupt.

5

MR ASPINALL: Is that a new thing or has that been there for a while, Mr Mitchell?

MR MITCHELL: No, Mr Aspinall. That has been there for a while and we have been recently reviewing the balance, as you do from time to time between all of these matters, like occupational health and safety, people and our culture – all important. But it has been there for a long time and not uncommon in a lot of companies - - -

10

MR ASPINALL: And in terms of what that's intended - - -

15 MR MITCHELL: Sorry.

MR ASPINALL: In terms of what that's intended - - -

20

COMMISSIONER: Have another go, Mr Aspinall.

MR ASPINALL: In terms of what that is intended to achieve, is that intended to incentivise the CEO to make inquiries to satisfy themselves that the corporation is compliant with its obligations?

25 MR MITCHELL: He or they would do all of that, yes. If you read it later, you will see that it's all those things.

MR ASPINALL: Does that apply to any of the other directors or executives?

30 MR MITCHELL: Directors, no; directors are separate. Executives, yes, at various levels all the way. I was particularly focusing on one; I thought it might be of assistance to you, to see how it's a balance because I had heard the earlier discussion, it's all about making money. No, it's – I mean, the lesser amount is actually about making money. They are all important in every way. So the balances will, I'm sure over all the years, will change as society changes, companies change, etcetera.

35

COMMISSIONER: But the largest percentage is, what?

40 MR MITCHELL: The largest percentage is – the first one I read out to you, Commissioner, financial; achieve relevant financial targets. So that's important, yes, to what you're saying. Yes.

45

COMMISSIONER: But that seems to be the best the company can do financially, the 40 per cent kicks in and you grade your percentages on that. And the grading of the percentages to apply, that is, putting 40 per cent as the financial performance and 15 per cent as the governance risk, etcetera, who makes the decision about the percentages to be allocated?

MR MITCHELL: Well, it would be a combination of the chairman and myself as chairman of this particular committee - - -

COMMISSIONER: I see.

5

MR MITCHELL: - - - and we have been turning our mind to it of recent times. I should say, to be fair to this particular case, it will often range between 25 and 40 per cent on the financial as other matters with different people become more important.

10 COMMISSIONER: Yes. Yes, Mr Aspinall.

MR ASPINALL: Thank you, Commissioner. Mr Mitchell, I wanted to talk to you now about the company Southbank Investments and Riverbank Investments just before lunch.

15

MR MITCHELL: Yes.

MR ASPINALL: Have you followed the evidence in relation to those two companies?

20

MR MITCHELL: Yes, I have Mr Aspinall.

MR ASPINALL: And have you, since those matters have been raised, have you had a look yourself at the bank accounts of those companies?

25

MR MITCHELL: I've seen a summary of them, but I don't say I could be an expert for you here as to all the particular details of them. But the company has summarised them.

30 MR ASPINALL: I might just show you one; it's CRL.563.001.0700\_R. That's exhibit BA190.

COMMISSIONER: Thank you.

35 MR ASPINALL: Can you see it?

MR MITCHELL: I haven't seen this, no.

40 MR ASPINALL: You might just have a quick look at it. It says bank statement from 2014 from Commonwealth Bank for Southbank Investments, and if the operator can show you the bottom series of transactions.

MR MITCHELL: Thank you.

45 MR ASPINALL: Are you familiar with Sydney?

MR MITCHELL: I think so.

MR ASPINALL: You see the suburbs there that are listed, these are different branches of the Commonwealth Bank in Sydney.

MR MITCHELL: Yes.

5

MR ASPINALL: And you see they're all made on the same day?

MR MITCHELL: I see that. I see that.

10 MR ASPINALL: And do you see the number under each deposit – cash deposit there is the same number?

MR MITCHELL: I see that. I see that.

15 MR ASPINALL: And I can ask you to assume that that's the what's called the patron number, which is the number that the amount deposited will be credited to at the casino.

MR MITCHELL: I see that.

20

MR ASPINALL: Do you see that? And do you see all of the cash deposits in this row are under \$10,000?

MR MITCHELL: I see that.

25

MR ASPINALL: And did you know that \$10,000 was the reporting threshold in respect of cash deposits for AUSTRAC?

MR MITCHELL: I knew that.

30

MR ASPINALL: Do you see what this would tend to indicate is that some person or persons are going around making cash deposits at different branches in Sydney to the credit of the same patron on the same day?

35 MR MITCHELL: Obviously.

MR ASPINALL: If we go to the next page, do you see it continues over that page?

MR MITCHELL: It does.

40

MR ASPINALL: More suburbs, and the next day it continues and moving out west that day.

MR MITCHELL: I know it's out west.

45

MR ASPINALL: Yes. And then the next day if we go over the page, still going.

MR MITCHELL: I think I understand the point.

MR ASPINALL: And then there are some transactions like a cash deposit for \$200,000; do you see that.

5

MR MITCHELL: I see that one, yes.

MR ASPINALL: Keep going, we might go one more page.

10 MR MITCHELL: Okay.

MR ASPINALL: Another cash deposit of \$200,000, and again, please. Keep going again. You see there's more there, cash deposits under the limit at the top.

15 MR MITCHELL: Yes, I was looking at something else. I see those. Yes.

MR ASPINALL: Go to the next page, more there. That one is 10,000. If we go to the next page. Keep going.

20 MR MITCHELL: Which year was this in, Mr Aspinall?

MR ASPINALL: This is in 2014.

MR MITCHELL: Okay.

25

MR ASPINALL: And are you aware – that's an example of one of the statements. There are lots.

MR MITCHELL: Yes.

30

MR ASPINALL: You are aware that in August last year, the Fairfax press made allegations that money laundering had occurred through, and it named the company, Southbank Investments, Riverbank Investments.

35 MR MITCHELL: I'm aware of that, yes.

MR ASPINALL: Are you aware that until this Inquiry raised it with Mr Preston, in fact, that it appeared that no one had been back and had a look at the actual bank accounts?

40

MR MITCHELL: I'm aware of that – broadly. As I say, broadly.

MR ASPINALL: Do you agree that - - -

45 COMMISSIONER: I'm sorry, Mr Mitchell, I missed what you said.

MR MITCHELL: I would say broadly because the absolute specifics of it, Commissioner, no. But broadly, yes.

COMMISSIONER: Thank you.

5

MR MITCHELL: Yes - - -

MR ASPINALL: Do you agree that you don't need to be expert, really, in money laundering to see that something is wrong in those bank statements.

10

MR MITCHELL: Yes, I agree, absolutely.

MR ASPINALL: My question to you is: can you give an explanation for why it took so long – well, actually why until the Inquiry raised it, nobody had looked at the bank accounts?

15

MR MITCHELL: No, I can't. I can't.

MR ASPINALL: Do you ever remember the issue being raised at board level?

20

MR MITCHELL: No, I – no, I don't remember it being raised at board level, no.

MR ASPINALL: Do you remember the issue that allegations had been made that money laundering had occurred through these accounts being raised at board level?

25

MR MITCHELL: Not at board level, no. No. No, not until recently of course.

MR ASPINALL: At any other level?

30

MR MITCHELL: That, I couldn't – you have had the opportunity of talking to other people at Crown and they would speak for themselves, and I would imagine it has been at other levels.

MR ASPINALL: Did you read the article which made the allegations back in 2019?

35

MR MITCHELL: Yes, I did.

MR ASPINALL: And why did you take no steps yourself?

40

MR MITCHELL: I believed it was being handled by all of the executives, I have no doubt to look at any other way than what they were doing. Personally, it would have been of little use me looking at the material that's here now. All of the executives were looking at all of this material.

45

MR ASPINALL: Were you told that the executives were looking at it or did you just assume?

MR MITCHELL: I assumed they were.

MR ASPINALL: I see the time, Commissioner, would that be a convenient time?

5 COMMISSIONER: Yes. Mr Mitchell, one of the questions that would come to mind would be for a director to say, "Has anyone looked at the bank accounts?"

MR MITCHELL: Yes, yes.

10 COMMISSIONER: And having done the exercise with Mr Aspinall, if that question had been asked and followed through at the very time when the article was published, the board could have been advised or could have seen what was happening; you agree with that?

15 MR MITCHELL: Yes, I do, yes.

COMMISSIONER: And so it is the curiosity of the directors to be engaged to look at these things that is necessary, isn't it?

20 MR MITCHELL: Yes, it is. Yes, it is, I agree.

COMMISSIONER: I'm going to take the luncheon adjournment now, Mr Mitchell. If you would be kind enough to return just a little before 2 pm, I will resume then. Thank you.

25 MR MITCHELL: Very good.

30 **ADJOURNED** **[1.02 pm]**

**RESUMED** **[2.01 pm]**

35 COMMISSIONER: Yes, thank you. Yes, Mr Aspinall.

MR ASPINALL: Mr Mitchell, if you've been watching the proceedings, you will know that we've been asking the directors about the advertisement which was sent to the ASX following the 60 Minutes program. Have you seen - - -  
40

MR MITCHELL: Yes, Mr Aspinall. I have, yes.

MR ASPINALL: If we can bring that up, it's INQ.100.010.0895, it is exhibit A219.

45 COMMISSIONER: Thank you.

MR ASPINALL: Can we go to the next page.

MR MITCHELL: Yes.

MR ASPINALL: I won't spent too much time on it, if we don't need to, but do you  
5 accept, having heard what you have heard from the Inquiry now, that it was wrong in  
several important regards?

MR MITCHELL: Yes, Mr Aspinall. I do.

MR ASPINALL: And, as I understand the evidence that you've given in your  
10 statement, you agreed to it without checking the facts, but you relied upon  
information that was provided to you by way of management; is that right?

MR MITCHELL: Yes. We had a major note on July 30. I'm just looking at it here.  
15 General commentary as per Mr Richard Murphy and others. I did, yes.

MR ASPINALL: And in terms of the evidence you gave – and we can bring it up if  
you'd like – it's CRL.593.001.0019. That's your statement that you've given us.

COMMISSIONER: That's on the confidential feed, is it?  
20

MR ASPINALL: Confidential feed, please.

MR MITCHELL: Is that mine? Yes. Okay.

MR ASPINALL: And in paragraph 7 you say you watched the 60 Minutes – can  
25 you see it? You have it?

MR MITCHELL: I don't have it, but I can recall that. So the - - -

MR ASPINALL: We can bring it up for you, Mr Mitchell.  
30

MR MITCHELL: Okay. Thank you.

MR ASPINALL: CRL.693.001.0019, please, operator.  
35

COMMISSIONER: It should be on your screen, Mr Mitchell.

MR MITCHELL: Yes, yes. Thank you, Commissioner. Yes.

MR ASPINALL: If we go over to the next page - - -  
40

MR MITCHELL: Yes.

MR ASPINALL: - - - you say that you watched the – I don't know if you can see  
45 that. We might need to enlarge paragraph 17.

MR MITCHELL: I can see that. I can see that, yes.

COMMISSIONER: Just take it back. Thank you.

MR MITCHELL: Okay.

5 MR ASPINALL: You say you watched the 60 Minutes program when it was televised.

MR MITCHELL: I did, yes.

10 MR ASPINALL: And you saw the newspaper articles which ran in the Fairfax newspapers that weekend - - -

MR MITCHELL: I had, yes.

15 MR ASPINALL: - - - but you didn't read the articles line-by-line, but you recall scanning them.

MR MITCHELL: Scanning, yes, I'd say, yes.

20 MR ASPINALL: Is there any reason why you didn't read them line-by-line?

MR MITCHELL: It's a bad habit of mine, I have to say, Mr Aspinall, but I often do that.

25 MR ASPINALL: But it would be important as a - - -

MR MITCHELL: Yes.

30 MR ASPINALL: - - - as a director to have paid careful attention to them, wouldn't it?

MR MITCHELL: Well, I would hope I picked up the real matters that were in it, but I wanted to be honest in my statement here that said I scanned it. That doesn't mean I scanned across it and didn't pay attention. It's just my use of words.

35

MR ASPINALL: Okay. And in terms of paragraph 9 you said:

*The initial impression of the reporting was that it was sensationalised and lacked objectivity.*

40

MR MITCHELL: Yes.

MR ASPINALL:

45 *Having spent nearly 40 years working in the media industry, specifically, in advertising –*

you're –

*familiar with the strategies media companies used to attract viewers and readers.*

5

MR MITCHELL: Yes.

MR ASPINALL: And in your opinion:

10

*...based upon the close working relationship with Australia's traditional media companies, the desire of those companies to win ratings and increase circulation has only grown as a result of market disruption and declining ad revenues.*

15

MR MITCHELL: Yes.

MR ASPINALL: Over the course of your career:

20

*I have seen sensationalist reportings by journalists and editors of news organisations in a way that did not occur in the past. I saw the way in which Nine presented its reporting against Crown as an example of a media company seeking to maximise its audience and readership.*

Do you see that?

25

MR MITCHELL: I see that, yes.

MR ASPINALL: And so is the gist of that, that you thought that the allegations were untrue, because they were presented in that way?

30

MR MITCHELL: I didn't say that. I think what I've got here as a comment is the way that it was reported. I don't think I'd gone to the truth of it in that particular point. I think I'm commenting on the fact that it was sensational and I've said it lacked objectivity, but I don't think I talked about the truth in that point there, did I?

35

MR ASPINALL: Well, I was wondering the reason, because when we come to the ad - - -

MR MITCHELL: Yes.

40

MR ASPINALL: - - - it did seem that the response was given very quickly. And the impression that I sort of took from what you'd said here was that you thought it was all overdone; is that right?

45

MR MITCHELL: I wouldn't say that. I don't think those words are there. I think my words, hopefully, would stand that it was sensationalised and, over many, many years that's – that's what has happened in the – in the media. I don't – I don't say

that that's wrong to do. I just observe that that's what's happened. I've seen 16-page stories about footballers that take over a whole newspaper; sensational.

5 MR ASPINALL: I see. So, to your mind, the fact that it was presented in that matter, didn't mean it was wasn't worthy of responding to as though the allegations were correct?

10 MR MITCHELL: Well, I just – I put to you my reaction at the time and what I thought about it and I see I hopefully helped by adding, because of my background, what I thought.

15 MR ASPINALL: Yes. And in terms of the way in which it came to be decided that this would be the strategy that was adopted by publishing a full-page newspaper advertisement, were you involved in that decision?

20 MR MITCHELL: In the end I was, not at the beginning. I'm not quite sure who, within the executive – it was probably the executive – that decided to do that. It wasn't me, but, ultimately, of course, as we well know, my name is at the end of it, so I'm not resiling from that fact.

MR ASPINALL: No. But you were supportive of that strategy, were you?

MR MITCHELL: Yes, yes.

25 MR ASPINALL: The fast – the fast response?

MR MITCHELL: Yes.

30 MR ASPINALL: And you were supportive of the strong language that they use there?

MR MITCHELL: I don't like strong language and, I'd have to say foul language I don't like at all – but assertive language, where it has to be so, I'm okay with that.

35 MR ASPINALL: And do you recall Ms Manos giving evidence to the Inquiry?

MR MITCHELL: I do. I do.

40 MR ASPINALL: Do you recall that she gave evidence that she cautioned the board against this approach?

MR MITCHELL: Yes, a good person, Ms Manos. I recall that.

45 MR ASPINALL: And is your recollection that she did do that?

MR MITCHELL: I don't recollect it, but I don't deny the fact that it might have happened, and it was – it was very good advice.

MR ASPINALL: Yes, I suppose in retrospect, it was.

MR MITCHELL: I didn't .....

5 MR ASPINALL: But it terms of your signature of it – I'm sorry, I talked over you.

MR MITCHELL: No, over to you, Mr Aspinall.

10 MR ASPINALL: And in terms of your decision to sign up to it, it was based solely upon what you'd been told in the internal report, was it?

MR MITCHELL: Yes, absolutely.

15 MR ASPINALL: Could we just have a look at the ASX principles, which are at INQ.100.001.0408, which is exhibit E22, Commissioner.

COMMISSIONER: Are you leaving the advertisement now?

MR ASPINALL: I am.

20

COMMISSIONER: Mr Mitchell, can I just ask you about the advertisement.

MR MITCHELL: Yes, yes.

25 COMMISSIONER: The position that you've indicated to Mr Aspinall is that you agreed that there are a number of matters within that advertisement that are wrong. You remember saying that?

MR MITCHELL: Yes, I do. Yes.

30

COMMISSIONER: When did you become aware of the incorrectness, if I can use that term, of some of the things that are in the advertisement?

35 MR MITCHELL: I have to say, Commissioner, only more recently, and probably - - -

COMMISSIONER: I see.

40 MR MITCHELL: - - - as a result of this inquiry because I – I've got a lengthy document here that I was reading that I had before me previously, as I said, the Murphy document, et cetera.

COMMISSIONER: Yes.

45 MR MITCHELL: And – but as for what you're speaking of now, probably as a result of the work that you're doing.

COMMISSIONER: So it was only in the last couple of months, few months - - -

MR MITCHELL: Yes.

5 COMMISSIONER: - - - that you became aware of that.

MR MITCHELL: Yes. Yes.

10 COMMISSIONER: Yes. Thank you, Mr Mitchell. Yes, Mr Aspinall. I'm sorry to interrupt.

MR ASPINALL: Mr Mitchell, I just wanted to take you to the ASX principles - - -

15 MR MITCHELL: Yes. Yes.

MR ASPINALL: - - - which are at INQ.100.001.0408 at 0422.

MR MITCHELL: Yes.

20 MR ASPINALL: - - - which is principle number 2.

MR MITCHELL: Number two one. Yes, I have that.

25 MR ASPINALL: We could look at the bottom comment in the left-hand column.

MR MITCHELL: Commentary?

MR ASPINALL: Yes. It says – it starts a “high-performing, effective” board.

30 MR MITCHELL: Yes.

MR ASPINALL: It says:

35 *The board needs to have an appropriate number of independent, non-executive directors who can challenge management and hold them to account and who represent the best interests of the listed entity and its security holders as a whole, rather than those of the individual security holders or interest groups.*

40 MR MITCHELL: Yes.

MR ASPINALL: ..... I'm wondering in terms of what we've seen in terms of the China arrests, the junket problems and money laundering whether it's your view that the directors, particularly the independent directors didn't take an inquisitive enough approach to challenging management as to what was happening in the organisation?  
45

MR MITCHELL: Well, Mr Aspinall, I'd say, looking back, yes, of course, we could have. It's silly to deny anything other than that.

MR ASPINALL: And, going forward, how do you think that could be improved or resolved?

5 MR MITCHELL: There's no doubt the modern board – more questioning, more committees, more strength, I'd have to say in some of those particular committees, the risk committee, et cetera. You'll have the opportunity as the week goes on to hear more from our chairman, of course, in all of that, but much, much more awareness to it.

10 MR ASPINALL: And I know that your statement and statements of the other directors have spoken about a process of change or what might be called a path to improvement - - -

MR MITCHELL: Yes.

15

MR ASPINALL: - - - taking place within Crown. Are you able to give me an understanding from your point of view of what that is?

20 MR MITCHELL: I – I'd – I could broadly, but that wouldn't do enough of the task, but I think there's probably some information that could come forward, particularly from Ms Halton later in the week, and I'd leave that to her. And one that I might be able to be helpful for is that I have in front of me as head of my particular sub-committee is the appointment of the group head of compliance and financial crime, which I think we've talked about so - - -

25

MR ASPINALL: Yes.

30 MR MITCHELL: - - - individual appointments in some cases, but for the broader bigger picture, I wouldn't try and do it now; I wouldn't do it justice, I don't think, but you were speaking to our other directors who are also directly linked to it, and I'd be happy, and I think it would be appropriate for them to deal with it.

35 MR ASPINALL: In terms of taking it down from the broad perspective down to the committees that you sit on and chair, what will you be doing in respect of those areas to improve the - - -

40 MR MITCHELL: Well – well, I think – you make a good point – I think I'd probably just raise that in particular because I've got with me – I ..... document here of our needing to appoint a group head of compliance and financial crime. Now, this is a major appointment on a world-scale of looking for people, and so you say what will happen down to the next level – it's things like that, that at every point we just highlight the modern times that we're living in.

45 MR ASPINALL: And if we look at the next column on this page - - -

MR MITCHELL: Yes.

MR ASPINALL: - - - if we go up to the – if we go up to the top, you see it says in the second paragraph “board renewal is critical to performance”?

MR MITCHELL: Yes, I do. I do. Yes.

5

MR ASPINALL: It says:

*To facilitate effective functioning of the board and to promote investor confidence, there should be a formal, rigorous and transparent process for the appointment and reappointment of board members.*

10

MR MITCHELL: Yes, I agree. Yes.

MR ASPINALL: And it says:

15

*The role of the nomination committee is usually to review and make recommendations for board succession planning generally.*

MR MITCHELL: I agree, yes.

20

MR ASPINALL:

*The development and implementation of processes for evaluating the performance of the board and its committees.*

25

MR MITCHELL: I agree, yes.

MR ASPINALL:

*The process of recruiting a new director including evaluation of skills -*  
and so on.

30

MR MITCHELL: Yes, I see that. Yes.

35

MR ASPINALL: And ensuring there are plans in place to manage the succession of the CEO and other senior executives.

MR MITCHELL: Yes, I see all of that.

40

MR ASPINALL: I wanted to talk to you about the board succession planning, firstly.

MR MITCHELL: Yes.

45

MR ASPINALL: When we look through the members of the board at the moment, it seems the case that quite a number of them have been there for a long time - - -

MR MITCHELL: Correct.

MR ASPINALL: Do you agree with that?

5 MR MITCHELL: I see that.

MR ASPINALL: What are your views on the merits of that?

10 MR MITCHELL: I – I think it’s appropriate that people can stay quite a period of time, as you would know and see that mine is nearly – nearly 10 years, and others are at that level - - -

MR ASPINALL: Do you think that’s too long?

15 MR MITCHELL: Well, I think - you know, Mr Aspinall, I was thinking of that earlier today because I’ve dealt in the media as you well know, and I’ve seen some very big successful companies and I see – and have dealt with, obviously, in much earlier times, with Rupert Murdoch who has probably been there for 45 years and he’s 88 years old, so it depends, I would have to say. But just - maybe I digress a  
20 little. The - I think new people at all times is appropriate. In our case, we will have - and I chair the committee, that we well understand a need for succession that’s before us, but then you say in what form? We think that you should continue to get younger people. That doesn’t mean that there’s anything wrong with older people; clearly, I’m older and I’m not about to say I’m stupid, but maybe I am. But younger  
25 people is good.

It’s good for all of Australia, I’d have to say. A balance of gender, that’s a very good thing to do, and a complementation of all of the skills, and so that’s before us. The chairman is very alive to all of that - she has only been there from this year on - as to  
30 what we do at every level. But I wouldn’t draw a line under the fact that people are in their 70s, say, as having the time to go. Maybe there’s nothing wrong with someone in their 70s, I don’t know.

35 MR ASPINALL: Well, leaving aside their age, I was more talking about the length of the tenure.

MR MITCHELL: Usually the length of the tenure is that they’re also old, but I would agree.

40 MR ASPINALL: Well, that might be so, but I’m wondering if you are aware that in certain publications or government statements it’s suggested that the longer you stay on the board, the less independent you become, that staying on a board for a long can blunt your independence.

45 MR MITCHELL: I would be reluctant – this maybe outside Crown, etcetera, or maybe it’s not, but in Australia I would be reluctant to just write a rule that says if you have been there a long time you are no longer as independent as you might be, or

even as good as you might be. And I think of good friends and good people like David Gonski has been on some boards for a long, long time, etcetera, and many others. Many others. So I think it's a separate matter to be looked at at all times and we should all be alive to it, not just Crown but all companies, I would have to say,  
5 Mr Aspinall.

MR ASPINALL: I wonder if you have given any consideration to an idea such as that as a general rule you can stay for example eight years or something and after that you should have to justify why you stay on?  
10

MR MITCHELL: Yes, and I don't mind that either, I have would say. I think in our case, certainly it has been my experience, every three years you have to justify it all over again because we – because we're a casino operation, we're very high profile. We have very many people interested. There isn't an annual general meeting that  
15 doesn't go by that isn't very lively about someone questioning why we should be there. And that's quite healthy. So it happens more often. I would be reluctant here to lay down those laws. In fact, I wouldn't – it wouldn't feel appropriate to be able to do it. Others can do it on a wider occasion. But Australia is served by good directors. Sometimes they argue there's not enough of them. Sometimes - I mean  
20 the European example, we should make more woman on boards. And it might happen that the same women all went on more boards. I think it's a subject that I am not an expert on here and I would be happy for others better informed to comment on it.

MR ASPINALL: Yes, in terms of when we look back at the ASX guidance, the role of the nomination committee is to do board succession planning generally.  
25

MR MITCHELL: Yes, yes.

MR ASPINALL: Does your committee do anything in that area?  
30

MR MITCHELL: Absolutely. Absolutely - - -

MR ASPINALL: Does that - - -  
35

MR MITCHELL: .....

MR ASPINALL: Does that relate – I'm sorry.

MR MITCHELL: No, keep going. Keep going.  
40

MR ASPINALL: Does that relate to program turnover or you don't make any suggestions to directors that perhaps it's time to - - -

MR MITCHELL: No, that's the role of the chairman or the shareholders, and I'd bring it on with all of that. But I'm very alive to the moment that we need to have succession planning. By the way, that's true of just about everything in life, you  
45

know; trying to hang on to the end is probably wrong. I've – I've, as you know, been on many boards over many years and there has been a rotation at certain times and that's appropriate. Usually, public institutions, the National Gallery, etcetera, and such like. But I believe that people should move on at a certain time when they  
5 know and when the company knows. But to make the rules about it, I would find that a bit tough because there's some outstanding people that have been there for a long time. I would have been reluctant to tell Frank Lowy, after all those years he was the chairman of his organisation, that it was time to go and others - - -

10 COMMISSIONER: I think Mr Aspinall is really getting in more generally the health of an organisation that can be refreshed.

MR MITCHELL: Yes. Yes.

15 COMMISSIONER: And in terms of how one keeps the refreshment going without insulting directors who have put in a very sound performance, is a delicate matter, no doubt and it can be handled.

MR MITCHELL: Yes.

20

COMMISSIONER: But in terms of longevity, he is only referring to the years on the board, certainly not the age; he wouldn't do that in this room, would you, Mr Aspinall?

25 MR MITCHELL: No, no.

COMMISSIONER: Yes. Let's move on.

30 MR ASPINALL: In terms of the next - when we look at those dot points there in the second column, there's induction and continuing professional development programs which I think we've discussed already. The next point is the development and implementation of a process for evaluating the performance of the board, its committees and directors.

35 MR MITCHELL: Yes.

MR ASPINALL: I'm just wondering if your committee does anything in that regard?

40 MR MITCHELL: We do. We do. It's devastating, I might say. You've got to say are we worth it, and it's all anonymous. What do we think of everybody else but it's appropriate and right that we do it.

45 MR ASPINALL: Right. But I was just wondering in terms of what happened in China and what has emerged in respect of junkets whether or not the process works, because, I mean, there's obviously been a problem here in respect of the performance of the board - - -

MR MITCHELL: Yes.

MR ASPINALL: - - - in finding out what's going on within the organisation. So have you got any ideas as to how that could be improved so that it doesn't happen again?  
5

MR MITCHELL: I would say, if it helps the Commission, a greater alertness to all of these modern events have done all of that and the movement in time and elsewhere in all the things that we're doing. So being absolutely alert and alive to all of that. I don't know that we had the same system - perhaps we did - of evaluating our own performance, which we do. It's not quite like correcting your own exam papers. We, as you will find out, have got quite a number of independent directors who will speak their mind and that's a good thing to do.  
10

COMMISSIONER: But will they be listened to?  
15

MR MITCHELL: Yes, I would say. I was thinking through all of the people, yes, they will. By the way, Madam Commissioner, that depends, doesn't it, on whoever is the boss, the chairman, chair lady, whatever it might be, you know, and are they alert to it. My view is that we have a chairman - separate as a chairman, not a chairman - executive chairman. So that's - in my view that's good. And it's up to the calibre of that person. I think we have that person, but it will be for you to judge, who will listen. I know she does actually, I know she does. But that will be for your judgment, not me to tell you those matters.  
20

MR ASPINALL: Mr Mitchell, you are aware, I think, that Crown entered into a services agreement with CPH?  
25

MR MITCHELL: I am, yes, I am - '16, I have forgotten the year, but yes, I'm aware.  
30

MR ASPINALL: Yes. And you were in favour of that?

MR MITCHELL: I was in favour of that, yes, I was.  
35

MR ASPINALL: And can you tell us why you thought that was a good idea?

MR MITCHELL: Yes. I've given it some thought, because of the matters before the Commission. And a lot of the management of Crown had evolved from the early days of the Packer organisation as it was - it was PBL, later CPH - and there are a number of people along the way - they're individuals, you know their names, I guess, and others we don't - who have done particular things. I'm thinking, as an example, Mr Johnston, outstanding in tax advice, that had been a lot of his background, other matters within government relations, etcetera, and things like that. And they were done within the organisation, CPH, on behalf of Crown. And it was put to Crown, quite appropriately, that if they're doing that sort of work, it is identified, and it should be paid for.  
40  
45

Then we, at Crown, we could decide – and this has been before me recently – well, that’s the cost of doing it. Do we want to do it? Is it the best way to do it or not? And, that way, there was a complete understanding. And that’s why the services agreement, so-called, came forward, that I accepted it. It was a way to formalise  
5 work that’s being done anyway, completely identified and costed and paid for. And it wasn’t too out of bounds, I don’t think, in the costs. The most recent ones have been very little anyway.

10 MR ASPINALL: Yes. But I’m just wondering why – I can understand, historically, why that had been the case, but, as a member of the nomination and remuneration committee, why didn’t you think it was a better idea, going forward, because this was a going concern, this casino; it was a long-term proposition. Why didn’t you think it was better to move away from that model, as time went by, and get your own people to do this stuff?

15 MR MITCHELL: There’s no doubt, ultimately, that will happen, but, at the time, this was – I can’t recall, but I think we were thinking it was around ’16 or ’17 or so, maybe – it was still – the roles were – not roles – the tasks, the work that was being done, was joined together, and some of those people were very good at doing it;  
20 understood it. But, over the period of time, of course, it would move away from that and the people would be internal. And from what I had heard from our own people, some of the work that was being done, it was as well to be linked to the history of what was happening and, particularly, the tax, which is not complicated or complex perhaps, but it was being done adequately, into the future. It’s every chance that all  
25 those jobs will be done inside Crown.

COMMISSIONER: There’s a difference between having a services agreement to provide services from another organisation, and that service being provided by one of your colleagues on the board; you agree with that?

30 MR MITCHELL: Yes, yes. I agree. I’ve followed the discussion on that. Yes.

COMMISSIONER: And it’s important to accept, would you agree, that it would be better if the board members did not descend into management and provide services,  
35 having regard to what we have seen thus far?

MR MITCHELL: I agree, Commissioner.

40 COMMISSIONER: Yes. Thank you, Mr Mitchell.

MR ASPINALL: Mr Mitchell, if we have look at exhibit CRL.545.001.0972, which is exhibit AA30.

45 COMMISSIONER: Thank you.

MR ASPINALL: We might have to enlarge that for you, operator. See that’s a minutes of Crown Resorts.

MR MITCHELL: 24 February?

MR ASPINALL: Correct. And you're there, present.

5 MR MITCHELL: Last on the list.

MR ASPINALL: If I just take you to - - -

10 COMMISSIONER: It's alphabetical, I think.

MR ASPINALL: I don't think it's intentional. If I could take you to page 0973. The page numbers are at the bottom right-hand corner.

15 MR MITCHELL: Okay. Yes. '16. It was '16, was it?

COMMISSIONER: Yes, it was. It was 1 July '16.

MR MITCHELL: I followed this, Commissioner. Yes.

20 MR ASPINALL: Now, you see, at the bottom of the page – if we could have that enlarged – the meeting had turned to related party transaction and proposed service agreement with James Packer?

25 MR MITCHELL: I read it.

MR ASPINALL: And it's in .....

MR MITCHELL: I recall this. Yes.

30 MR ASPINALL: And the second paragraph records you promoting the idea that it was a good – there were good arguments in favour of proceeding with that arrangement; do you see?

35 MR MITCHELL: Well, I think I see in this:

*Mr Mitchell said that, given there was no certainty, any proposal would be received, there were good arguments in favour of proceeding with these arrangements now.*

40 And they were the costing ones I was talking about, etcetera.

MR ASPINALL: You said it was cheaper?

45 MR MITCHELL: No, no. I just – no. No, not at all. Although, it'd be good if it was, but it doesn't mention that here.

MR ASPINALL: No. I was wondering if you could tell me what the arguments that you thought – particularly in favour – I mean, this – I’ll say, before I ask the question, that you know that the services agreement with Mr Packer didn’t proceed.

5 MR MITCHELL: That didn’t proceed. No.

MR ASPINALL: No. But I’m wondering why, what arguments you saw in favour of proceeding with a services agreement with Mr Packer at this time?

10 MR MITCHELL: The services agreement? Well, with Mr Packer, he proposed it, obviously, or CPH had. And I’m mindful of the fact that, I mean, there’s been history and you’ve been able to talk, over the last few days, about many things, but Mr Packer, at that earlier time, before all of this, had been instrumental in some  
15 incredible international moves that we’d made and I think there was some earlier evidence that you might recall over the investment that we made formalised the position in Macau. And, from a company point of view, that had been an entry into Macau – the operation in Macau – and then we – we came out of Macau, and the sums were that we put in about 400 million and we sold it for about 2 billion, and that was a – that was a very, very going financial arrangement, if you like. And there  
20 was a time – I was very mindful – and I still am, Mr Aspinall – about debt. I don’t like debt. I’ve never liked debt. And so we were able to make enough money to be able to bring our debt way down, which has been very good in the current circumstances. So back to your point, Mr Packer had, I think, proposed that he take on an international promotion role and the history to that point had been very good.

25 MR ASPINALL: And do I take from that answer that you thought, because Mr Packer had come up with a good idea in respect of action the company could take in the past, that it was a good idea for him to be able to access information of the company going forward?

30 MR MITCHELL: I don’t think I said that. I don’t think I said that. I think, what I really said was about – about the international success that we had had. And I thought that the role that had been proposed was an international – had international in its title, in some way. And its intent was to be able to operate and to give advice  
35 on the international world that we were in. And there’s no doubt that the world was getting smaller and, if you didn’t get big, it made it very difficult for my own advertising business, I certainly knew that. If you were small, you were nowhere in the middle, you’d be rolled over. I made my company very big for that purpose. That was in my mind that Crown could continue to and, maybe, at another time we  
40 might, look more on the world stage.

MR ASPINALL: And moving to the controlling shareholder protocol, you were aware that was - - -

45 MR MITCHELL: Yes, yes.

MR ASPINALL: - - - passed. What did you see as being the benefit to Crown of entering into that?

5 MR MITCHELL: Well, as it was put to me – and I accept and I still do – that there needed to be an understanding, an agreement, that we knew that Mr Packer had two people, then three people, on the board, but Mr Packer is an inquisitive person – and good for him – and he’s got a lot of money invested in something. But if he wanted to have information, then it should be in a formalised way. And that’s what, really, that document did.

10 MR ASPINALL: See, one of the curious things about that protocol, from one point of view, is that Mr Packer had – could request information at his will rather than the company itself deciding whether it wanted to give information to him. Is that how you understood it?

15 COMMISSIONER: I reject that question. I’m sorry. That question is rejected. Yes.

20 MR ASPINALL: Did you think it was advisable that Mr Packer could request information from the company without a register being kept of what information had been requested and provided?

25 MR MITCHELL: As I look back at now – back, from here, and, you know, what we were doing at that particular time, as I said, I thought it was appropriate that, if Mr Packer’s people, his directors, wanted to – using – and I’ve heard Mr Johnston speak on this subject – that they were – that they understood that their first priority was to Crown, but if there was some information Mr Packer wanted to know, they could tell him, and this agreement covered all of that. And then it was, therefore, up to the directors – good people – to determine that they were always acting in the interests of Crown. And I think Mr Johnston has spoken about that.

30 MR ASPINALL: And did you ever give any information to Mr Packer pursuant to the protocol, as you understood it?

35 MR MITCHELL: No. No, I wouldn’t have done that.

MR ASPINALL: Did you have discussions with Mr Packer about what was happening at Crown during this period when he was off the board?

40 MR MITCHELL: The main thing that Mr Packer and I spoke about in the years that followed was how to keep your weight down.

MR ASPINALL: So in respect of Crown matters, there was no talk?

45 MR MITCHELL: None at all. None at all.

MR ASPINALL: In terms of the controlling shareholder protocol, we have noticed that that agreement seemed to come before the nomination and remuneration committee at one of its meetings.

5 MR MITCHELL: It probably would have but you might like to remind me of that, if you need to.

MR ASPINALL: Yes, I will just get you the document. CRL.709.001.0001. That is AB45. You see that's the minutes of that committee.

10

MR MITCHELL: I have that, yes. Yes, it's there - - -

MR ASPINALL: And do you see that you are one of the members of that committee?

15

MR MITCHELL: Yes, I do.

MR ASPINALL: But you see that three other people are there by invitation?

20 MR MITCHELL: That's possible and it's noted.

MR ASPINALL: And Mr Johnston is one of those people?

MR MITCHELL: Yes, I do.

25

MR ASPINALL: Is it right that Mr Johnston was a regular invitee or had a standing invitation to this committee?

30 MR MITCHELL: Not at this one, no, that I can - it would have been noted but not that I can recall. No.

MR ASPINALL: Do you recall him attending meetings of this committee often?

35 MR MITCHELL: No, it doesn't stand out at all but we could look at - I'm sure he wasn't, no.

MR ASPINALL: If we go to .0003 there is a section at the bottom of the page with regards to the controlling shareholder protocol; do you see that?

40 MR MITCHELL: I see that, yes.

MR ASPINALL: Have you read these minutes in preparation for giving evidence?

45 MR MITCHELL: Not specifically, I don't think, but I'm happy to look at them now with you.

MR ASPINALL: Could I ask you to have a look at them now, and when you need to go to the next page, just let me know and we can take there.

5 MR MITCHELL: ..... controlling shareholder protocol and I have that, if you want to go to the next one.

MR ASPINALL: Go to the next one.

10 MR MITCHELL: Yes, I have read that, yes.

MR ASPINALL: One thing I wanted to ask you, firstly, was do you know why this protocol needed to come to the nomination and remuneration committee?

15 MR MITCHELL: No. No, I - normally I wouldn't have thought it would have needed to have. It's a matter for the full board, I would have thought. Perhaps Mr Dixon might have known that; he was a very good chair at that particular time and he was probably across it more than I was.

20 COMMISSIONER: Isn't it because the services agreement would have been necessary to come to you because of the remuneration packages that were available under the services agreement?

MR MITCHELL: I think you're right. You're right, Madam Commissioner, yes.

25 COMMISSIONER: And you're looking there to see - and what you did at that meeting was to prefer the controlling shareholder protocol over the services agreement; do you see that?

30 MR MITCHELL: Yes, yes, and that's in my mind, too, that that makes a lot of sense. Yes, yes.

COMMISSIONER: Yes. All right, then.

35 MR MITCHELL: Thank you.

COMMISSIONER: Yes, Mr Aspinall.

40 MR ASPINALL: The second question was even though Mr Johnston is noted as an invitee to this meeting, it has been noted that there's no notation in the minutes that he left the meeting when the controlling shareholder protocol was discussed.

45 MR MITCHELL: It's not noted, and I've noted elsewhere, I'd have to say, in the course of these matters, that when Mr Johnston needed to be somewhere around, I can recall that he would - he would normally follow that all the way through, a very proper understanding of what works. And if he had to leave he would have. But maybe sometimes the minutes didn't show that. Normally, they would.

MR ASPINALL: So you don't have a specific recollection?

MR MITCHELL: No, no, I don't. I don't. Mr Dixon might have, but I don't have. I'm not saying it didn't happen or it did.

5

MR ASPINALL: Well, I take it from your answer that your expectation is that he would have left?

MR MITCHELL: Yes. Yes.

10

MR ASPINALL: Now, can I show you exhibit AA220, which is CRL.568.002.4716.

MR MITCHELL: I see that. I haven't seen this before but I see this, yes.

15

MR ASPINALL: I will give you a moment to read it. Are you able to read it at that size?

MR MITCHELL: I am, yes, thank you. I have it here.

20

COMMISSIONER: Yes.

MR ASPINALL: You see, Mr Johnston there is asking Mr Alexander that he would like to put his hand up for the replacement of Mr Dixon on the Sydney subcommittee.

25

MR MITCHELL: I see that. I see that, yes.

MR ASPINALL:

30

*I think I will be able to bridge the knowledge of the committee –*

and so on.

MR MITCHELL: I see that, yes.

35

MR ASPINALL: Then Mr Alexander replies two minutes later, I think, saying:

*Mike, not an issue. I will organise the change.*

40

MR MITCHELL: Yes.

MR ASPINALL: And Mr Johnston replies - - -

MR MITCHELL: "Thanks".

45

MR ASPINALL: - - - another two minutes later "Thanks, Mike".

MR MITCHELL: I see that.

MR ASPINALL: In terms of procedure, was it your understanding that Mr  
5 Alexander or the chair had been delegated the power to decide who was appointed to  
board subcommittees?

MR MITCHELL: That wouldn't be unusual for a chair of a company to be able to  
establish subcommittees.

10 MR ASPINALL: I want to take you to the board charter, which is  
INQ.010.004.0539.

MR MITCHELL: Yes.

15 MR ASPINALL: Exhibit F75. You see that's the board charter, at 0543 and at  
point 3.2 there are listed matters reserved for the board.

MR MITCHELL: Yes, I see that.

20 MR ASPINALL: The second last entry is:

*Approving the Terms of Reference and membership of board committees.*

Do you see?

25

MR MITCHELL: I see that, yes.

MR ASPINALL: And to your understanding, did that occur at a board level or - - -

30 MR MITCHELL: Well, it normally – normally, the recent changes we've had are  
clearly at the front of my mind that there would be a discussion like we have just  
been through here. But they would come back to the board, the full board, and it  
would be announced that these changes were going to be made; did anyone agree or  
object. And it's quite possible, I hope, that that's what happened here.

35

MR ASPINALL: I mean, in respect to Mr Johnston's appointment to the Sydney  
subcommittee, were you aware that that had occurred?

MR MITCHELL: That he was on the particular Sydney subcommittee?

40

MR ASPINALL: The Sydney subcommittee, I'm sorry.

COMMISSIONER: Crown Sydney.

45 MR ASPINALL: Crown Sydney.

MR MITCHELL: Yes. Yes, and he had a reason for wanting to be there.

COMMISSIONER: Did you see the reason?

MR MITCHELL: I can't particularly recall, I would have to say - sorry, Commissioner?

5

COMMISSIONER: Did you see the reason that he put to Mr Alexander?

MR MITCHELL: I saw the reason. I saw the reason, yes.

10 COMMISSIONER: And the reason being that he had the knowledge of the undertakings that had been given to the government?

MR MITCHELL: I saw that, yes.

15 COMMISSIONER: Yes, Mr Aspinall.

MR ASPINALL: Then if I could take you to HAC.502.001.0299, AA233.

COMMISSIONER: Thank you. Is there a problem with this?

20

MR MITCHELL: .....

COMMISSIONER: Just wait for a moment. There it is now. Thank you.

25 MR ASPINALL: You can take it from me, Mr Mitchell - - -

MR MITCHELL: I can read it.

MR ASPINALL: Pardon?

30

MR MITCHELL: Mr Aspinall, I've got it. Yes.

MR ASPINALL: Yes. Take it from me, Mr Johnson, that that's a text message from Mr Johnston to Ms Coonan.

35

MR MITCHELL: This doesn't say - I don't think.

COMMISSIONER: It doesn't. But you can assume that it's - - -

40 MR MITCHELL: Okay.

MR MITCHELL: - - - from Ms Coonan.

MR MITCHELL: Yes. I am. Yes, I see that.

45

MR ASPINALL: And you can see that that's sent at 5.47 pm?

MR MITCHELL: I see that.

MR ASPINALL: On the 21st of January this year.

5 MR MITCHELL: Yes.

MR ASPINALL: And the text says:

10 *I think it may be useful if I went on the risk committee. Happy to discuss.*  
See that?

MR MITCHELL: I see that.

15 MR ASPINALL: Then, if I could take you to 0300.

MR MITCHELL: “Please”, I see that, which again, presumably, Ms Coonan again.  
Yes.

20 MR ASPINALL: Yes. This is Ms Coonan, I think, three minutes later – four  
minutes later saying:

*Please! Back to Mr Johnston.*

25 MR MITCHELL: I see that.

MR ASPINALL: You can also take it from me, Mr Mitchell, that we’ve looked at  
the board minutes of the following board meeting.

30 MR MITCHELL: Yes.

MR ASPINALL: And there is no consideration by the board as to whether Mr  
Johnston should be put on to the risk committee; do you accept that from me?

35 MR MITCHELL: I accept that that that’s what you are putting to me, yes. I can see  
that. I was just looking at that minute.

MR ASPINALL: And can you also accept that the next meeting we can find of the  
risk committee shows Mr Johnston as a member of that committee?  
40

MR MITCHELL: Yes. I was just looking, myself, at that. Yes.

MR ASPINALL: I’m wondering, in terms of board processes, whether you think  
that’s an appropriate situation?  
45

MR MITCHELL: I think there could be a few, maybe, communications between  
might have been a bit easier, but, as I recall – and you’ve had the opportunity of

asking Ms Coonan this – but I do recall that, as we got a new chairman, a number of new committees were established and, therefore, put to the board – and the board could have been disagreed – and this would have fallen in the realms of that. I don't see anything difficult about it, but maybe it will lead to some more explanation.

5 You've talked to Mr Johnston, but perhaps Ms Coonan can tell you more about that. I can't.

COMMISSIONER: I suppose, one of the things that you'd consider is the number of committees a director is on at the one time. That would be a relevant factor;  
10 would it not?

MR MITCHELL: Yes, Commissioner. And I've been aware of your discussions regarding that, too, and Mr Johnston when he's on.

15 COMMISSIONER: Yes, Mr Aspinall.

MR ASPINALL: And I'm just wondering, in your experience, if you wanted to be on a board subcommittee was it just a matter of asking the chairperson to be on the committee and you either be invited or not?  
20

MR MITCHELL: No, I wouldn't – I wouldn't have thought that. I certainly never nominate for more subcommittees, I can tell you that. And I don't think that was the way this – this went, but you can talk to Ms Coonan about that.

25 MR ASPINALL: But don't you think, as a member of the board, as the board charter indicates, be a question is reserved to the board?

MR MITCHELL: Yes. Yes. Yes.

30 MR ASPINALL: Going back to the board – to the board charter, Mr Mitchell, which is at INQ.010.004.0539.

MR MITCHELL: Right.

35 MR ASPINALL: Exhibit F79.

MR MITCHELL: Okay. Okay.

MR ASPINALL: Can you see there's a section - - -  
40

COMMISSIONER: What page, please?

MR ASPINALL: - - - on page 0541 - - -

45 COMMISSIONER: Thank you.

MR ASPINALL: - - - which deals with independence?

COMMISSIONER: Yes, there it is.

MR MITCHELL: There it is. There it is. Yes.

5 MR ASPINALL: Were you familiar with that section?

MR MITCHELL: Broadly, yes. Yes.

10 MR ASPINALL: And you see in the first paragraph there that:

*To be considered independent, a non-executive director is one who is free of any interest, position or relationship that might influence or reasonably be perceived to influence - - -*

15 MR MITCHELL: Yes.

MR ASPINALL:

20 *- - - in a material respect, their capacity to bring an independent judgment to bear.*

MR MITCHELL: I see that.

25 MR ASPINALL: And to act in the best interests of the company as a whole rather than the interests of an individual security-holder or other party.

MR MITCHELL: I see that. Yes.

30 MR ASPINALL: Do you – have you been an independent director since you've been on the board?

MR MITCHELL: I've been an independent director right from the beginning. Yes.

35 MR ASPINALL: Well, I just wanted to explore a little your relationship with the Packer family, if you don't mind.

MR MITCHELL: No, of course.

40 MR ASPINALL: If we go to INQ.550.002.0079; that's exhibit AG8.

COMMISSIONER: Thank you.

MR MITCHELL: Yes, I see that. You read my book.

45 MR ASPINALL: Yes. This is an extract from your biography, is it autobiography or biography?

MR MITCHELL: Auto. I write.

MR ASPINALL: I just need to find it.

5 COMMISSIONER: It's on the screen.

MR MITCHELL: I remember the conversation.

10 MR ASPINALL: Yes. And so you mentioned before you your aversion to debt, and is that in relation to the debt that you got into at this point?

MR MITCHELL: Yes. I had – to give a - - -

15 MR ASPINALL: In the 1990s.

MR MITCHELL: - - - the quick context, the page before this, maybe, it was the early nineties, I think. We could get the exact date. And - - -

20 MR ASPINALL: Yes. If we go back one page please, operator, to 076.

MR MITCHELL: It's a good story. Keep going. Yes. Yes, yes, yes.

COMMISSIONER: This is an article.

25 MR MITCHELL: It was an - - -

COMMISSIONER: This was an article in the - - -

30 MR MITCHELL: - - - this in early 1990s, I think. Yes.

MR ASPINALL: This - - -

COMMISSIONER: Yes.

35 MR MITCHELL: .....

MR ASPINALL: This is an extract to - - -

40 MR MITCHELL: Yes.

MR ASPINALL: An extract from your book.

45 MR MITCHELL: It would have been but I can – yes. \$32 million in debt. So that's would be the point of it. Thank you for reminding me about that.

MR ASPINALL: Yes, yes.

MR MITCHELL: I – I - - -

MR ASPINALL: And you - - -

5 MR MITCHELL: - - - in the early 90s, just if you wanted me to explain.

COMMISSIONER: Yes.

10 MR MITCHELL: I had signed four personal guarantees in some businesses, of which I was a minority shareholder, that I invested in. And along came the recession we had to have, and it wasn't looking good. And so you could pick up the story from there, I think.

15 MR ASPINALL: Yes. And you were facing bankruptcy or insolvency?

MR MITCHELL: Possibly. Thank you for reminding me about that, too. But, probably, I would've got through it. But I wasn't sure of .....

20 MR ASPINALL: Yes. And then the late Mr Kerry Packer approached you and said:

*Harold, I hear you've got some problems, son. Can I help?*

25 MR MITCHELL: Yes. I'd been speaking to Mr Chisholm, and we went to before, and I wasn't seeking any – any help and, in particular, I'd known Mr Chisholm and I probably made it all clear that I was going to have to work my way through these dreadful debts, that I'd signed the personal guarantees. I now realise you should never sign a personal guarantee. There were others, but the others had disappeared. I wasn't going to walk away from them. So I had to work my way through. And I  
30 needed to just get over the first few steps. Ultimately, of course, I got through it at all.

MR ASPINALL: The title of this is Almost Flattened by a Big Banana - - -

35 MR MITCHELL: Well - - -

MR ASPINALL: And that's because the investment was in relation to the Big Banana; is that right?

40 MR MITCHELL: Mr Aspinall is going back 30 years of my life. Goodness me. Yes. Thank you, very much. Yes. The Big – I took a small shareholding in the Big Banana. What was I possibly thinking? What was I possibly thinking? Never invest in things you know nothing about. But there I was. I was, and along came the recession we had to have. The other shareholders disappeared into the banana fields  
45 and I was left alone, and I wasn't going to walk away from it. I had to deal with it. I had to deal with it and Mr Packer, as he said, offered me a loan, the way he talks, "Harold, I hear you've got some problems, son." He called everyone "son". "Can I

help?” And indeed, he did: he offered me a loan of 1.9 million interest free. “Come and see me”, and I did. It was a terrible time for Kerry. I can’t believe it, because it took some time to work its way through.

5 I explained the problems that I had been in. He kept shaking his head. Kerry loved a disaster - a disaster. He had me repeat completely, “Why would you have signed personal guarantees?”, but I did. And I did and I was facing up to it. He offered me the loan of \$1.9 million. I still recall it. It’s just an incredible moment because no strings attached. Kerry was just like that. No one was to know, and it wasn’t until  
10 after he died that anyone knew. I think that was the case. I paid it back of course. It took me a long time, but I got there with all of it. And I do recall that in the middle of it, he had the famous heart attack. He had the famous heart attack on the Sunday, and I got a call and it said he would be available to speak to me on the phone on the Thursday. And I remember this weakened voice “Son, that loan will be okay” and  
15 that was the background of it, Mr Aspinall. But thank you for taking me back 30 years.

MR ASPINALL: Yes, and I think later in the book you say that you will never forget the kindness of him in respect of that doing that.

20

MR MITCHELL: I couldn’t. I mean, as I give you the context of the heart attack. I only tell it now because he is no longer here because he didn’t want anyone to know the great, great things that he did in many, many cases, and this was more than helpful to me and, ultimately, of course we disclosed it in the Crown annual reports  
25 and it has become part of history and, of course, great kindness. Great kindness.

MR ASPINALL: Yes. And you say later that “It was the kick-start I needed” and that the episode changed your life; is that right?

30 MR MITCHELL: It would. It was a bit life-changing, the early 90s, I can tell you, for many, many people.

MR ASPINALL: Now, with regard to the - - -

35 COMMISSIONER: How did you know Mr Packer?

MR MITCHELL: I had known, Commissioner, Mr Packer – it’s very interesting. I started my business in 1976. Kerry was three years older than me, and he had just taken over the network from his brother, Clyde. And I knew Clyde, and Clyde was  
40 the elder and favoured son but he didn’t - and Kerry bought half the business. And I got to know Mr Packer senior then because in 1977, I had just started my business. He had taken over the running of the operation, which included Channel Nine and for all sorts of reasons he decided to take on the cricket community; I’m sorry to take a moment but just to answer the question.

45

Those that follow cricket that are on the screens here would recall World Series Cricket and he took on the big boys. And it wasn’t easy and he had to do many

things. I had just started the business and I didn't have too many clients. Later we built it, but in the beginning not too many. I liked the idea of live cricket games because quite simply as an advertising person, between a cricket game and each over, there's 30 seconds and you haven't got time to get a cup of tea or go to the toilet, you just have to watch the ad. I liked it, and so Mr Packer found out that I was responsible for about a quarter - this tiny company - about a quarter of all the ads in the cricket.

And one of his - and probably Mr Chisholm said, "Kerry wants to meet you" and I wanted to meet him. So we were friends. I wouldn't see him more than once a year maybe, but we were good friends because of those very extreme circumstances. Sorry to take a moment but interesting story.

COMMISSIONER: No, that's all right.

MR MITCHELL: For cricket people, an interesting story.

COMMISSIONER: Thank you very much, Mr Mitchell. Yes, Mr Aspinall.

MR ASPINALL: Mr Mitchell, I wanted to take you now to a document that you haven't seen but it's an article from a newspaper in 2010 called - I don't know if it's an newspaper, called Mumbrella; INQ.550.004.0001. I will tender that in due course.

MR MITCHELL: Mumbrella.

MR ASPINALL: Yes, Mumbrella; I don't know what Mumbrella is, but I just wanted to take you to page 0002.

MR MITCHELL: Yes.

MR ASPINALL: If we go about halfway down the page, the operator could blow that up or enlarge that for you, and it talks there about the Big Banana episode. Then later, in the paragraph that follows:

*That in itself would be enough to expect to see Mitchell return the favour. He clearly feels he owes the family, but it goes further. He also points out in his book that James Packer was an investor in Emitch - - -*

MR MITCHELL: He was.

MR ASPINALL:

*- - - the digital agency he launched in 1999 which eventually became the vehicle for floating Mitchell and Partners on the ASX.*

And I was wondering if that's true.

MR MITCHELL: That part's true, absolutely. Yes.

MR ASPINALL: And did you feel like you owed a favour to the Packer family?

5 MR MITCHELL: No. No. No, we didn't. In our business we didn't – you didn't  
operate that way. That isn't the way it works. I represented 4000 clients and I  
wouldn't have had that many clients if we didn't act entirely on behalf of the clients.  
It was the biggest company in Australia in the media business, 20 per cent of all the  
10 advertisers. I worked for the clients, but I accept Mumbrella would have found a  
good story in what all of this was all about. I don't quite remember reading at the  
time, but I might have skimmed it, as we say.

MR ASPINALL: But in circumstances where Mr Packer senior, the late Mr Kerry  
15 Packer had helped you out in a very difficult time in your life with an interest-free  
loan.

MR MITCHELL: Yes.

MR ASPINALL: And that Mr James Packer had been an investor in your Emitch  
20 agency.

MR MITCHELL: And Mr Lachlan Murdoch; he - - -

MR ASPINALL: Wouldn't it be natural – sorry. Wouldn't it be natural to expect  
25 that someone would think that you owed the family a favour?

MR MITCHELL: I was – no, I was never aware of that, no. People know me.  
People know the Packers, the Murdochs; no, no, I don't accept that, Mr Aspinall, not  
30 at all. I mean, it's a gossip trade magazine and it's a good yarn, as they would say.

COMMISSIONER: I think they were referring to your good yarn in your book, to  
begin though.

MR MITCHELL: I'm not sure, Commissioner, I should have written that book, I  
35 can tell you.

COMMISSIONER: I understand.

MR MITCHELL: I did. I did. When it was a best seller, understandably, including.  
40 Mr Aspinall, I will sign your copy, if you like, Mr Aspinall next time - if we ever  
meet outside the Zoom world.

MR ASPINALL: I will just take you to the final paragraph of that page - - -

45 MR MITCHELL: I can't read it all.

MR ASPINALL: - - - which says:

*I wouldn't be surprised if bailing out Harold's Big Banana adventure may turn out to be the best 1.9 million the Packers ever spent.*

Do you see that?

5

MR MITCHELL: Well, that's highly objectionable, I'd have to say, and wrong in every way. I'm not sure where he was headed with it because as I understand it, this was about Channel 10, in which both young Mr Packer and young Mr Murdoch were shareholders and ultimately didn't do too well in it, and I didn't help them too much in it either.

10

MR ASPINALL: Well, I'm raising it with you because it seems that this person, at least, perceives that there is some influence in a material respect - - -

15 MR MITCHELL: Yes, he said that.

MR ASPINALL: - - - that might mean you can't bring independent judgment to bear.

20 MR MITCHELL: Yes, I accept he's saying that, and I also say that that's not true. It's not true, Mr Aspinall, not at all.

MR ASPINALL: Do you think he is being unreasonable.

25 MR MITCHELL: He was – yes – well, no, he was looking for a good story. It is a good story; I just read it again. It's like a murder novel.

MR ASPINALL: I wanted to move now to the Tennis Australia matter.

30 MR MITCHELL: Yes.

MR ASPINALL: And the judgment in that matter is INQ.500.001.0086 and it's exhibit AG29. Have you read the judgment in that matter, Mr Mitchell?

35 MR MITCHELL: It's a very long one, Mr Aspinall.

MR ASPINALL: Yes. And it's right, isn't it, that findings have been made against you but in respect of a penalty, if any, that hasn't been determined; is that right?

40 MR MITCHELL: I'm reluctant to say too much about the matter because it's still with Justice Beach.

COMMISSIONER: Yes, you're just being asked, but the history is the judge has heard the case. The judge has delivered judgment.

45

MR MITCHELL: Yes.

COMMISSIONER: Findings have been made against you, but in respect of any penalty, that is, penalty, if any, that is to be imposed, the judge has reserved his position in respect of that matter; that's correct, is it not?

5 MR MITCHELL: That's correct, Madam Commissioner. Yes.

COMMISSIONER: Yes. Yes, Mr Aspinall.

10 MR ASPINALL: And I wanted to ask you whether you're aware that, in that judgment, Beach J made findings that you had in certain regards breached section 160, subparagraph (1).

COMMISSIONER: 180.

15 MR ASPINALL: 180, subparagraph (1) of the Corporations Act, in that you failed to exercise due care and diligence in respect to your duties as a director; are you aware of that?

20 MR MITCHELL: Yes. Yes, I'll accept that. Yes.

MR ASPINALL: And you're aware that that related, in one aspect, to sending information of Tennis Australia, of which you were a director, to a third party; are you aware of that?

25 MR MITCHELL: I'm aware of that, yes.

MR ASPINALL: And what I wanted to ask you is, having regard to that finding, whether you've considered whether it's appropriate for you to remain on the board of Crown?

30 MR MITCHELL: Yes. I should remain on the board of Crown, because, I think – I think the claim, which was overwhelming lost by ASIC was that I shouldn't be a director, and they ultimately withdrew that and it was left that I could be a director of any company.

35 COMMISSIONER: On a different aspect, though, I think Mr Aspinall's question is focused on the findings that were made, that you did breach your directors' duties.

40 MR MITCHELL: Yes.

COMMISSIONER: And it is the findings on those three occasions – and I know there were many more - - -

45 MR MITCHELL: Yes.

COMMISSIONER: - - - aspects that the judge dismissed.

MR MITCHELL: That's correct.

COMMISSIONER: But, in respect of the three findings, Mr Aspinall is asking you whether you have given consideration as to whether you should remain on the board  
5 of the publicly listed company, Crown, having regard to those findings?

MR MITCHELL: Yes. And the answer is I have given consideration - - -

COMMISSIONER: Yes.  
10

MR MITCHELL: - - - and determined that I should stay on the board of Crown.

COMMISSIONER: I see. Notwithstanding those findings that you had breached?

15 MR MITCHELL: No, they were minor, Commissioner, I believe, and because of the other's overwhelming failure. And I'll wait to see where the further matter of that goes when the matter is completed.

COMMISSIONER: Thank you, Mr Mitchell. Yes, Mr Aspinall.  
20

MR ASPINALL: And if we could look at INQ.550.003.0053. And this is another newspaper article from The Age, Mr Mitchell, which is not yet exhibited. But I will just - - -

25 MR MITCHELL: I think I might have it.

COMMISSIONER: Yes.

MR ASPINALL: It's called Looking for Skeletons, Crown's Board in the Scandal  
30 Question.

MR MITCHELL: Yes.

MR ASPINALL: If we scroll down.  
35

COMMISSIONER: Yes.

MR ASPINALL: Scroll down to the next page. Do you see there's a Crown Board  
40 in Spotlight section?

COMMISSIONER: Sorry?

MR MITCHELL: I think it's the - - -

45 MR ASPINALL: At the bottom of the page, there's a section called Crown Board in Spotlight.

MR MITCHELL: Yes, I have.

MR ASPINALL: Unfortunately, your photo has been cut off at the bottom, but if we go over to the next page.

5

MR MITCHELL: Always on the bottom. Yes. There you go.

MR ASPINALL: It says:

10 *Ad man is considered non-independent due to outside business transactions.*

Do you see that?

MR MITCHELL: Yes, I see that.

15

MR ASPINALL: Are you able to tell the Commissioner what the newspaperman might be referring to in regard of “outside business transactions”?

MR MITCHELL: I don’t know. I don’t know.

20

MS ORR: I object. I object to that question.

COMMISSIONER: Yes. I think it has been answered. He doesn’t know. Yes. Yes, please.

25

MR ASPINALL: Could we look at CPH.001.650.0058, please.

MR MITCHELL: Yes. I see that.

30

MR ASPINALL: That is exhibit AG30.

COMMISSIONER: I think you have a copy of this, Mr Mitchell.

MR MITCHELL: I recall it. I read it, Commissioner, the other day.

35

COMMISSIONER: Yes. Yes. Thank you.

MR ASPINALL: And you see this is, I think it’s a WhatsApp message from you to Mr Packer.

40

MR MITCHELL: It would have been - - -

MR D’ARVILLE: Commissioner, I’m sorry to interrupt. Might we be told the exhibit number?

45

MR ASPINALL: AG30.

COMMISSIONER: Exhibit AG30, Mr d'Arville. Yes.

MR ASPINALL: And you have written to Mr Packer on the 30th of May.

5 MR MITCHELL: Yes.

MR ASPINALL: Saying:

*Dear James, Mike rang and told me of the share moves.*

10

MR MITCHELL: Yes.

MR ASPINALL: Are you talking about, there, Mr Johnston?

15 MR MITCHELL: Mike Johnston and, I guess, that would have been the matter of Melco.

MR ASPINALL: Yes. And so what you're talking about there is you'd been told about the sales of the shares to Melco.

20

MR MITCHELL: He would have rung me. Yes.

MR ASPINALL: Then you put in bold:

25

*Fantastic!*

MR MITCHELL: Exclamation mark. Yes.

MR ASPINALL: Then you say:

30

*I always thought that was a good idea!*

MR MITCHELL: Yes.

35 MR ASPINALL: Now, what do you mean when you say you "always thought that was a good idea"?

MR MITCHELL: That's easy. Back to the early 90s. I hate the thought of debt. And I'd always thought – and, Crown, as I said, have reduced the debt dramatically  
40 from 3 billion to just 200 million more recently – but I'd always had a feeling that Mr Packer had built up personal debt. I mean, that would be for him to tell you or to talk about, but – and this was one single entity, Crown, which was his, and I think I heard him say that if you think about Crown and he did every day. So this was an opportunity, if he had debt, to reduce it. And if he had something other than just one  
45 single great big entity that it was his whole enterprise, it would be a good idea. And it was – it's a big thing to say, and it's probably because I looked at him from the

outside and thought this is good. He can do that. But as I go on – and you can see the line there.

5 MR ASPINALL: Yes. So when you're talking about the good idea that you thought it was, you're not talking about the idea of selling the shares to Melco?

MR MITCHELL: No, it wasn't. I make some point later on. But, no, I thought it was a good idea to be – to have – to have cash; that was really what it was. And this is what we'll do. And I still think it's a good idea in everyone's life. I hate the  
10 thought of debt and we should all be liquid.

MR ASPINALL: And then you say:

15 *Plenty of control - - -*

MR MITCHELL: Yes.

MR ASPINALL:

20 *- - - great flexibility for you.*

You regarded Mr Packer as having plenty of control over Crown?

MR MITCHELL: No. What I meant by that was that he would still be able to  
25 nominate – I think he had three directors – this might have been two, but he would still have an element of control of his own shareholding and the flexibility - - -

MR ASPINALL: But aren't you saying plenty – aren't you saying "Plenty of control"? "Plenty of control".  
30

MR MITCHELL: I wouldn't read too much into all of the words. It's what – it's what I said that he would have two directors, maybe not three, but as he had and still has, but he would still have two directors, and that can be important. Always  
35 important to represent your interests, to control: two is plenty; one is not many.

MR ASPINALL: Turning your mind to the fact that Crown Resorts had entered an agreement with the New South Wales Government which prevented Stanley Ho, or entities associated with him - - -

40 MR MITCHELL: Yes.

MR ASPINALL: - - - having any interests in Crown Resorts?

MR MITCHELL: Yes. Well, I've been aware of the discussions of the last several  
45 days. But, at the time, I hadn't been thinking about that at all. Stanley Ho - I didn't even know Stanley Ho was still alive, to be honest. I knew he was very old.

COMMISSIONER: Well, did you give any thought to it, at all?

MR MITCHELL: No, I didn't, Commissioner, no. No, no I didn't.

5 COMMISSIONER: See, one of the problems is that this – your company had given very serious undertakings to the New South Wales Government. You knew that, didn't you?

10 MR MITCHELL: I understand that. Yes.

COMMISSIONER: And it looks to me as though the company did not keep that in the forefront of its mind, from what I've heard thus far.

15 MR MITCHELL: Yes.

COMMISSIONER: And you would agree with that, I think.

20 MR MITCHELL: Yes. I agree. I agree with that, yes. And, in my case, I hadn't either. I hadn't either.

COMMISSIONER: I beg your pardon?

25 MR MITCHELL: And, in my case, I hadn't had it in the forefront of my mind either. Yes.

COMMISSIONER: And what had happened is, that, for the privilege of having the Barangaroo casino granted to your company - - -

30 MR MITCHELL: Yes.

COMMISSIONER: - - - the casino licence, there was, in fact, one of the quid pro quos was the prohibition on dealing with Stanley Ho - - -

35 MR MITCHELL: Yes.

COMMISSIONER: - - - that is, on letting him have – acquire an interest in your company. You knew that?

40 MR MITCHELL: Yes, I knew. I've been reminded recently but yes. Yes.

COMMISSIONER: When you say you have been reminded recently, what do you mean?

45 MR MITCHELL: I mean at the time of the – no, I think – I think during the course of this Inquiry. I had – I had presumed that there were many lawyers and law firms all over the place looking at it and the connection and I never thought in one aspect at all about Mr Stanley Ho in regard to any of this.

COMMISSIONER: Yes, I see. So do I glean from what you have just said that you had an assumption that if it had gone through, it must have been cleared by lawyers?

MR MITCHELL: Absolutely. Absolutely. Yes, of course.

5

COMMISSIONER: Yes, I see. But you would agree, I presume, that the undertakings that were given to the New South Wales Government at the time were very, very important to ensure they were met?

10 MR MITCHELL: They were, and I agree entirely.

COMMISSIONER: And if there was any chance that they wouldn't have been met and had you known about that chance, you would have done everything in your power to stop it, I presume?

15

MR MITCHELL: That's correct. Of course.

COMMISSIONER: Yes, Mr Aspinall.

20 MR ASPINALL: Mr Mitchell, I just want to play you now a recording from the AGM last year. You may have seen it mentioned before. It's a question by Mr Stephen Mayne. It's INQ.700.001.0018. If you could listen to it for me as it is played.

25

**RECORDING PLAYED**

MR ASPINALL: Were you able to hear that, Mr Mitchell?

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MR MITCHELL: Yes, I was, yes.

MR ASPINALL: You heard that Mr Mayne directed that question to the independents, "This is one for the independents."

35

MR MITCHELL: He did, yes.

MR ASPINALL: And you were an independent director at the time, weren't you?

40 MR MITCHELL: Well, I still am, yes.

MR ASPINALL: And you knew at the time the answer was given that it wasn't the whole truth, didn't you?

45 MR MITCHELL: As I look at it now, there probably should have been more information. I didn't think it was misleading in any way, but was there something left out; maybe that was the case.

MR ASPINALL: So you don't accept that it wasn't the whole truth?

MR MITCHELL: There were other elements to it, yes, I agree. But Mr Packer did – no, I think it covered, I think it covered what had happened in my understanding of  
5 it, but you may want to lead me to something you felt was left out.

COMMISSIONER: You see, what Mr Barton said was that it was to do with the provision of information to enable services to be provided.

10 MR MITCHELL: Yes. Yes. Yes, and I think, Commissioner, that as I heard it again, I couldn't get it all but I got the gist of it, that I would have thought the shareholder agreement, as we say, which allowed information to Mr Packer under that - that whole agreement, was what would have been covered and I think that must  
15 have been in Mr Barton's mind but he would have known better than I. But I didn't think that - I don't think it was misleading anybody and it might be, Mr Aspinall, that there was a refinement that was left out and if that was there, I would accept it.

MR ASPINALL: Well, there was no refinement left out. Mr Mayne was asking fairly and squarely whether there was a special arrangement under which information  
20 was given to Mr Packer and whether he could ring up and ask for information that wasn't available to other shareholders. That was the question, wasn't it?

MR MITCHELL: That was the question, yes. And in its simplicity, Mr Mayne wasn't getting the information that Mr Packer was getting - - -  
25

MR ASPINALL: You knew the answer to that question was yes, didn't you, because you had approved the entry into the controlling shareholder protocol?

MR MITCHELL: Yes.  
30

MR ASPINALL: And you were aware that Mr Barton hadn't given that answer, yes.

MR MITCHELL: Now that I look at it, yes, I agree. At the time, a great big annual  
35 meeting. Matters come along. A question asked, answered. I didn't give it much more thought than all of that. No one was trying to lead – mislead Mr Mayne, I should say. I wasn't.

MR ASPINALL: Then why did you stand by and allow that answer to be given  
40 without standing up as a director and say "I would like to add to that answer that has been given by an independent director"?

MR MITCHELL: Mr Aspinall, I didn't give it any thought at the time.

45 COMMISSIONER: There is always a great deal of interest in what Mr Packer is doing and knowing in relation to Crown, isn't there; you would agree with that?

MR MITCHELL: Yes, Commissioner. Yes, I agree.

COMMISSIONER: Both in the larger community and also in the shareholding space; you would agree with that?

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MR MITCHELL: I agree with that, yes.

COMMISSIONER: It wasn't an unreasonable question, was it?

10 MR MITCHELL: No, no, Commissioner. I think, Commissioner, to give it some context. I was at that meeting. There were questions for about 60 minutes or so. Mr Mayne asked questions for 90 per cent of the time. I might have just – it might have just passed over the top of me, I'd have to – I mean, if you've got one very good question to ask maybe you should make it the one but Mr Mayne asked questions of me which, I think, as you look at the transcript, I hopefully answered and answered property and truthfully and well. And I might not have paid as much attention to the exact words - the exact answer given that he was asking – and always has – so many questions, and I might not have given it all the attention that I should have. That would be my answer, Commissioner.

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20 COMMISSIONER: Coming back, you have agreed that it wasn't an unreasonable question.

MR MITCHELL: No.

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COMMISSIONER: And it should have been given a proper and honest answer, shouldn't it?

MR MITCHELL: I agree, Commissioner, yes of course.

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COMMISSIONER: And with the independent directors being focused upon by the questioner - - -

MR MITCHELL: Yes.

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COMMISSIONER: - - - it should have been on the independent directors' minds to assist the company to give the shareholder, even if he were a small shareholder, an honest answer, do you not agree?

40 MR MITCHELL: Commissioner, I agree.

COMMISSIONER: Yes, Mr Aspinall.

MR ASPINALL: I have no further questions.

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COMMISSIONER: Yes, Dr Collins, do you have any questions?

DR COLLINS: No, thank you, Commissioner.

COMMISSIONER: Thank you. Ms Orr?

5 MS ORR: No, thank you Commissioner.

COMMISSIONER: And I think Ms Case is here today; is that right?

10 MS CASE: Yes, Commissioner. No questions from me, thank you.

COMMISSIONER: I'm terribly sorry; Mr d'Arville, any questions?

MR D'ARVILLE: Yes, Madam Commissioner, just one.

15 COMMISSIONER: Yes, of course.

**<EXAMINATION BY MR D'ARVILLE**

**[2.23 pm]**

20

MR D'ARVILLE: Mr Mitchell, do you recall being asked about an email by which Mr Johnston suggested to Mr Alexander that he replace Mr Dixon on the Crown Sydney subcommittee?

25 MR MITCHELL: I don't recall saying Mr Dixon, but I recall he wanted to be on the committee, I think; maybe you're right.

MR D'ARVILLE: Yes, thank you. Can I just show you a different document on that topic, and could I ask that exhibit AC1 be brought up.

30

COMMISSIONER: Yes, if you give us the number.

MR D'ARVILLE: Yes, CPH.001.658.0001.

35 COMMISSIONER: Thank you.

MR D'ARVILLE: Now, Mr Mitchell, can you see there, if one could go over onto the next page, which is .0002. Can you see that this is a document which contains the agenda for the meeting of the board of directors on the 12th of December 2019?

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MR MITCHELL: Yes, I can.

MR D'ARVILLE: If we go on the next page, .0003. Can you see there, at item 14.2, there's a reference to Crown Sydney committee?

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MR MITCHELL: Yes, I can.

MR D'ARVILLE: And if we can then just go through to page .0202. And if the top half of that page could be blown up.

COMMISSIONER: Yes.

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MR D'ARVILLE: Mr Mitchell, you can see that this is a memorandum with a subject Crown Sydney Committee from Ms Manos?

MR MITCHELL: Yes. I can see that.

10

MR D'ARVILLE: If I could draw your attention to the second paragraph and ask you to read that to yourself.

MR MITCHELL: I have read – I read the first two paragraphs.

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MR D'ARVILLE: Thank you. And so can you see there that the proposal in this memorandum is that Mr Johnston join the Crown Sydney committee.

MR MITCHELL: Forgive me. My table doesn't go all the way down, but I think I know what you are alluding to maybe.

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COMMISSIONER: It's in the second paragraph.

MR D'ARVILLE: The second. Yes. Just the second paragraph, "It is proposed".

25

MR MITCHELL: I beg your pardon at the top. Committee – I was down at committee meetings. Yes, I see that. Yes.

MR D'ARVILLE: And I want to suggest to you that that proposal was approved by the board in the meeting on - - -

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MR MITCHELL: Yes.

MR D'ARVILLE: - - - 12 December 2019?

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MR MITCHELL: I can accept that. It's what I would have thought, but I can - thank you for pointing that out. Yes.

MR D'ARVILLE: Thank you. No further questions, Madam Commissioner.

40

COMMISSIONER: Yes. Thank you, Mr d'Arville. And, Mr Mitchell, have you received reports from Crown Sydney committee, from time to time, on the board?

MR MITCHELL: I think it's been verbally, I have to say. Well, it's possible. We have a very active group there, and it's a very important thing, and I'm glad we've got a single committee looking at it, I'd have to say. It's vital. You know, we've built this incredible Barangaroo and had much discussion, I know. We have a group

45

of people, Jan Halton, who I think you're seeing next week, so, verbally, yes, we have.

COMMISSIONER: But, at board level - - -

5

MR MITCHELL: .....

COMMISSIONER: At board, do you - - -

10 MR MITCHELL: .....

COMMISSIONER: At board level, do you receive reports in writing from that committee?

15 MR MITCHELL: Madam Commissioner, I'm not sure. I'd need to look at it, but I know that we - we have reports in from individual members. So I'd need to look.

COMMISSIONER: Yes, I see. So there's a company - there's a subsidiary company - - -

20

MR MITCHELL: Yes.

COMMISSIONER: - - - Crown Melbourne, and then there's Crown Perth, as I understand it.

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MR MITCHELL: There is.

COMMISSIONER: Both of which are under the umbrella of Crown Resorts, if I could use that analogy; correct?

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MR MITCHELL: Yes. Yes.

COMMISSIONER: But, presently, the structure, as I understand it, is that Crown Sydney is not in the same structure, but has a committee that you've just been shown a memorandum in relation to; is that right?

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MR MITCHELL: And I believe you're right. Yes.

COMMISSIONER: Yes, I see. Can you tell me, is there any plan to change that structure in respect of Crown Sydney?

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MR MITCHELL: Given the importance to the whole of the authority and to the licence, and the fact that the committees that we have in both Melbourne and Perth - you've met Mr Poynton - work very effectively and well, and it would make a lot of sense for us to have a similar structure in Sydney. Our chairman will be able to talk more about that when you meet with her.

45

COMMISSIONER: Thank you, Mr Mitchell. That brings us to the conclusion of your evidence. Thank you very much.

MR MITCHELL: Thank you, Commissioner.

5

COMMISSIONER: And as I have said to others – and it applies across the board – that if – and to others – if there is any need to ask you to come back to assist further, the solicitors will notify you. But thank you for making yourself available in lockdown and at your home. Thank you very much.

10

MR MITCHELL: Thank you for doing that too, Commissioner. Thank you.

COMMISSIONER: Yes. All right. We will terminate the link to Mr Mitchell. Thank you.

15

<THE WITNESS WITHDREW

[3.29 pm]

20 DR COLLINS: Might we - - -

COMMISSIONER: Yes, Mr Aspinall.

DR COLLINS: - - - Ms Foley and I - - -

25

COMMISSIONER: I'm sorry. Dr Collins.

DR COLLINS: Might Ms Foley and I be excused?

30 COMMISSIONER: I'm sorry?

DR COLLINS: Might Ms Foley and I be excused?

35 COMMISSIONER: Of course you may be excused. Thank you for your courtesy, Dr Collins and Ms Foley. Yes, Mr Aspinall.

MR ASPINALL: Thank you, Commissioner.

COMMISSIONER: I see. Ms Orr, you are appearing for Mr Demetriou?

40

MS ORR: Yes. I had understood that Mr Demetriou was not required until Monday.

COMMISSIONER: Yes.

45

MR D'ARVILLE: I believe we received that invitation over lunch.

COMMISSIONER: Yes. Yes, that's correct, because of the time, it would only just start him and he'd be finished. So we are commencing at 10 am on Monday for Mr Demetriou's evidence. And so I'll adjourn the inquiry until then. Thank you very much.

5

MS ORR: Thank you.

**MATTER ADJOURNED at 3.30 pm UNTIL MONDAY, 12 OCTOBER 2020**

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