<u>UNDER</u>

The Commissions of Inquiry Act

1908

IN THE MATTER OF

Royal Commission of Inquiry into

Building Failure Caused by

Canterbury Earthquakes

AND IN THE MATTER OF

The CTV Building Collapse

FURTHER SUPPLEMENTARY BRIEF OF EVIDENCE OF ANTHONY JOSEPH SCOTT IN RELATION TO THE CTV BUILDING

Date of Hearing: Commencing 25 June 2012

FURTHER SUPPLEMENTARY BRIEF OF EVIDENCE OF ANTHONY JOSEPH SCOTT IN RELATION TO THE CTV BUILDING

- 1. My full name is Anthony Joseph Scott (Tony Scott).
- 2. I have provided two earlier briefs of evidence, the first dated 30 March 201**2** and the second dated 17 May 2012.
- I am preparing this brief of evidence as a result of a number of matters reported as having been raised in the opening statement of Stephen Mills QC to the Royal Commission of Inquiry.
- 4. The various statements attributed to Mr Mills QC which I wish to provide further evidence on are as follows:
 - (a) Shirtcliff, Williams Managing Director, Michael Brooks, and one other man created some uncertainty, Mills said, when in mid March 1987 they formed a new company, Union Construction, to take the CTV contract off Williams.
 - (b) Injunction proceedings were filed against them by Smart Group, the company which owned Williams.
 - (c) Exactly what stage the building was at when this occurred and whether it might provide some explanation of the construction defects identified by the consultant's report will be explored in the course of the evidence, Mills said.
 - 5. I provide further evidence on each of these statements as follows.

Union Construction Limited ("Union Construction") Formation

6. Following the Smart Group acquisition of Williams Construction (I refer to clauses 25 to 28 of my first witness statement dated 28 March 2012), Mr Brooks, Mr Shirtcliff and I decided to form a new company. It appeared obvious to us

that Williams Construction was either going to be sold or closed down.

- 7. The timeline for the formation and commencement of Union Construction was as follows:
 - a. 17 March 1987- Union Construction Limited formed by Mr Brooks, Mr Shirtcliff and me.
 - b. 18 March 1987- letter from us to Williams Construction advising that the new company would be commencing on 1 May 1987 and giving notice of our resignations from Williams Construction.
 - c. 9 April 1987- Mr Brooks dismissed from Williams Construction.
 - d. During this time, Mr Brooks approached a number of potential business partners for Union Construction. As a result, Angus Properties became a 70% shareholder in Union Construction.
 - e. 1 May 1987- Union Construction commences business.
- 8. I resigned with effect from 30 April 1987 and commenced with Union Construction on 1 May 1987. Between then and September 1987 Union Construction itself had nothing to do with the CTV Building. Notwithstanding the fact that Mr Shirtcliff was a shareholder in Union Construction, he remained working for Williams Construction as Construction Manager to complete the CTV Building and the Durham Towers Hotel.
- 9. I also provided ongoing consultancy services to Williams Construction in relation to the final account for the Durham Towers Hotel project as had been set out in our letter to Williams Construction on 18 March 1987.

Smart Group Injunction Proceedings

- 10. The injunction proceedings by Smart Group primarily related to the awarding of a building contract to Union Construction in relation to Cathedral Properties.
- 11. The injunction proceedings and resulting affidavits had nothing whatsoever to do with the Prime West Madras Street contract (CTV Building). I refer to my draft affidavit prepared by Phillips Shayle-George in September 1987 in this regard [BUI.MAD249.0404.25-32]. I confirm that that affidavit would have been true and correct with the handwritten additions that I made to it at the time.

Transition from Williams Construction to Union Construction

- 12. Following the affidavits on behalf of Mr Brooks and myself being presented to Smart Group's lawyers, we met with Stephen Smart in or about late September 1987 to discuss a potential solution to the dispute.
- 13. As set out above, Mr Shirtcliff had remained working for Williams Construction as from 1 May 1987 and remained as the Construction Manager on the CTV Building from May to late September 1987.
- 14. As set out in my first brief of evidence (see in particular paragraphs 29 to 32), the upshot of the meeting with Stephen Smart was that the CTV Building work was assigned to Union Construction for completion. As such, both Bill Jones and Mr Shirtcliff continued throughout that time as Foreman and Construction Manager respectively.
- 15. To the best of my recollection, the CTV Building was contractually completed by the end of October 1987. Substantial completion was achieved under the head conditions of contract with Prime West. This meant that both

liens and maintenance retentions held by the client could be released.

- 16. From then on, I did not have a great deal to do with the CTV Building personally. I was aware in general terms of what was happening on the project however.
- 17. I would estimate that the CTV Building was structurally complete, closed in and weatherproof by the end of September 1987, the approximate date of assignment from Williams Construction to Union Construction. This would have been the first formal date of association between Union Construction and the CTV Building.
- 18. As such, I do not believe that the termination of Mr Brooks' employment and the subsequent formation of Union Construction and the later assignment of the CTV Building contract to Union Construction had any effect on the construction of the CTV Building.

Signed:

A J Scott

Dated:

3-8-2012