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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE PETER M. HALL QC  
CHIEF COMMISSIONER

PUBLIC HEARING

OPERATION PARAGON

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TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON THURSDAY 9 DECEMBER, 2021

AT 10.00AM

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This transcript has been prepared in accordance with conventions used in the Supreme Court.

THE COMMISSIONER: Yes. Just take a seat, thank you. Mr Downing.

MR DOWNING: Thank you, Commissioner. Mr Steyn is here. I understand those who are logging in have logged in so we're ready to resume and complete Mr Steyn's evidence.

THE COMMISSIONER: Very good. Is Mr Steyn represented? I'm sorry, I've forgotten.

10 MR SANDILANDS: Yes. Good morning. Sandilands is my name, Your Honour. (not transcribable)

THE COMMISSIONER: Yes, I grant leave for you to appear on behalf of Mr Steyn.

MR SANDILANDS: Thank you, Your Honour. And Your Honour will state the normal order in relation to section 38 for my client?

20 THE COMMISSIONER: Sorry, you'll have to speak into the microphone.

MR SANDILANDS: Sorry, Your Honour. You'll make the normal order in relation to section 38 for my client, Your Honour?

THE COMMISSIONER: Yes. You've spoken to your client about that?

MR SANDILANDS: I have indeed, Your Honour.

THE COMMISSIONER: He understands the provisions?

30 MR SANDILANDS: Been through it last time, Your Honour.

THE COMMISSIONER: Yep, thank you. Mr Steyn, just before we proceed, can I just get – Mr Steyn, just for the record, would you state your full name?

MR STEYN: Craig Steyn.

40 THE COMMISSIONER: Thank you. Mr Craig, as you're aware, the Commission may make a declaration based on your objection to answering questions or producing documents and other items, and the point of the objection is that it does attract the provisions of the Act so the evidence can't be used in any other proceedings in the future. You understand that's the purpose of it?

MR STEYN: Yes, Commissioner. Yes, Commissioner.

THE COMMISSIONER: But the two exceptions to that is that the evidence can be used in respect of the evidence of a witness, such as yourself before

the Commission, if the witness commits an offence under the Independent Commission Against Corruption Act. An offence would include the offence of giving false or misleading evidence, for which the penalty is a term of imprisonment for five years. You understand it can be used in those circumstances.

MR STEYN: Yes, Commissioner.

10 THE COMMISSIONER: But that otherwise it has the protection that it can't be used in other proceedings.

MR STEYN: Yes, Commissioner.

THE COMMISSIONER: The only other exception is that which applies to public officials. I understand you're no longer a public official, is that right.

MR STEYN: That's correct, Commissioner,

20 THE COMMISSIONER: All right. So the other exception is that it can be used against public officials who give evidence and commit an offence in disciplinary proceedings, but as you've indicated you no longer are in the service of the Crown. You understand that although a declaration is made under section 38, you remain under an obligation to answer all questions truthfully. You understand that, don't you?

MR STEYN: Yes, Commissioner. Yes, Commissioner.

30 THE COMMISSIONER: All right. And you must produce any document or other item as required. Do you understand that?

MR STEYN: Yes, Commissioner.

40 THE COMMISSIONER: Thank you. Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by the witness, Mr Craig Steyn, or any documents and things produced by him in the course of this public inquiry are to be regarded as having been given or produced on objection and accordingly there is no need for the witness, Mr Steyn, to make objection in respect of any particular answer given or document or thing produced.

**DIRECTION AS TO OBJECTIONS BY WITNESS: PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY THE WITNESS, MR CRAIG STEYN, OR ANY DOCUMENTS AND THINGS PRODUCED BY HIM IN THE COURSE OF THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN OR PRODUCED ON OBJECTION AND ACCORDINGLY**

**THERE IS NO NEED FOR THE WITNESS, MR STEYN, TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.**

THE COMMISSIONER: Now, Mr Steyn, do you take an oath or an affirmation?

MR STEYN: Affirmation.

10

THE COMMISSIONER: An affirmation, thank you. Well, then I'll get you to stand and I'll have my associate administer the affirmation.

THE COMMISSIONER: Yes, thank you. Just take a seat. Now, Mr Downing, Counsel Assisting, will ask you some questions. Yes, Mr Downing.

MR DOWNING: Thank you, Commissioner. Mr Steyn, you may recall that back in May of this year, which probably seems like a long time ago now, but you answered some questions from the Commissioner in respect of the practice you adopted with AA Steel of them submitting quotes, you then suggesting that there be a margin added to it, and then ultimately that margin being added and the job being invoiced and that amount paid. Do you recall I asked you some questions, and the Commissioner did as well? ---Vaguely, yeah. Vaguely.

And the Commissioner asked you some questions about whether there was a particular practice or modus operandi that you adopted when it came to dealing with AA Steel about invoices and then adding margins and then ultimately them billing. I just want to take you back to that evidence now, just in fairness. If we could go, please, to transcript 291 and that should come up on the screen in front of you. It should be this screen here. Just give it a moment. And what I wanted you to read from is line 29. See where it starts "THE COMMISSIONER:"?---Yes.

If you just read from there, if we just pull the page up a bit higher. Thank you. Read to the bottom of the page and tell me when you've read there. Just to yourself, not out loud.---Yes.

Thank you. And if we go to the next page, please, so transcript 291, and I want you to read it through to line 27 so you'll see it ends with, sorry, it's 25. It ends with "correct", yeah. So if you just read down to there. Thank you. You've read that?---Yes.

Now, in response to those answers from the Commissioner, you were describing, weren't you, a practice you had adopted when it came to your process of responding to quotes from AA Steel and then dealing with their invoicing and purchase orders. Correct?---Yes.

All right. And this is paraphrasing it, but tell me if this correct, so that what would happen is they would submit a quote. Correct?---Do you want me to answer now?

Yes.---Yeah. So they would give an informal quote.

You would then go back to them and whilst you would often also change the description of the work, but the important thing from our purposes is

you would then add a margin to it, that is, whatever the price was quoted, you would increase it by a margin?---Yes.

And, ultimately, that margin would be included in the invoice that was rendered - - -?---Yes.

- - - and that's what ultimately would form that kickback however it was received by you from AA Steel?---Correct.

10 And, in fairness, you said that that didn't happen with every job?---No.

But there were a number - - -?---Yes.

- - - a significant number where it did?---Yes.

And, sorry, just to take that further. When it came to working out the margin, I think you indicated, and again tell me if you agree, that first of all you wanted to make it worthwhile for you?---When you say "worthwhile" for me, it was just a figure with Mr Alexander discuss.

20

You would discuss with Mr Alexander but, ultimately, it was you who would nominate how much you thought could be put on the bill. Correct? ---Yes. Yes.

You wanted it to be enough that it was worthwhile. You were taking a risk in the conduct you were engaging in, so you wanted it to be worthwhile, didn't you?---It could be 100, \$200 not - - -

30 It was often thousands of dollars, wasn't it?---Could have been, yes, but not all the time, as we - - -

I mean, I took you last time to a number of invoices that were referred to in the spreadsheet that you'd prepared.---Yes.

They were in the thousands and sometimes tens of thousands of dollars, weren't they?---Yes. Correct.

It wasn't normally hundreds of dollars?---That's as an example.

40 But the other end of the equation, and you referred to it in your answers to the Commissioner, was that you didn't want to make them so big that it would draw attention - - -?---Yes.

- - - because you didn't want scrutiny on it?---Yes.

All right. Now, whilst those answers were given in the context of the work you were doing – I withdraw that – the work that AA Steel was doing for you, is it correct that you applied that method more broadly to each of the

contractors who you were receiving some form of benefits from?---Not, I wouldn't say all of them.

Well, but that method of getting quotes, then suggesting it be upped to include your margin and then you putting up for approval that invoice, including the margin, that was generally speaking your method, wasn't it, with the contractors from whom you obtained some form of benefit?---Yes.

10 All right. And that included obviously AA Steel, which was the point of the questions from the Commissioner?---Yes.

But it also included Lancomm?---Yes.

Mr Masters from S A Masters Electrical?---I, I don't believe it was Mr Masters.

Well, I took you to specifics on the last occasion. With Mr Masters, you did receive benefits from him?---Yes, I did but - - -

20 And there were some invoices that were loaded up with sums, including one occasion, wasn't it, where there was no work at all done?---I believe, should correct that, Counsel. I believe there was a bucket and whatever was left in the bucket wasn't, shall we say, preloading. It was - - -

Okay. I'm sorry. I cut you off.---Sorry. What was left in the bucket wasn't preloading for any outcome. It was, okay, that's what's left.

30 Okay. I'm going to come to the bucket and who that principle of the bucket of money applied to in a moment. But do you say that with S A Masters, that generally speaking that's how you went about - - -?---Yes.

- - - in effect, allowing him to invoice what was the genuine price of the work?---Yes.

All right. What about other contractors who you ultimately obtained benefits from beyond the three that I've taken you to so far?---Lancomm?

40 Well, I've taken you to AA Steel, Lancomm and S A Masters, but it's the case, isn't it, that in relation to your house a number of the contractors that were originally introduced to you through Mr Dubois also provided benefits to you?---Through Mr Dubois.

Correct. But it was the companies controlled by Mr Hadid and Mr Chahine principally.---Yes.

So you knew their companies were CBF, Euro Civil and Ozcorp Civil, correct?---Yes, I think so.

Well, with those companies, is it the case that you adopted the same type of method? That is, when it came to work that you were allocating for them in your area that you would also permit them to put in invoices that you knew included margin, which would ultimately be remitted back through the benefits that you would receive?---No.

So you say that didn't happen?---That didn't happen.

10 Ever?---No. Happened through Mr Dubois. Mr Dubois would, Mr Dubois would manage all those purchase orders, all that work. I didn't engage them.

But you knew that that's what they were doing, didn't you?---I might have been familiar with, yes.

20 In the sense that you knew that with the work that Mr Dubois was allocating them, that it was including a margin so that they had sufficient there in order to pay the benefits to you?---No, I didn't know the, the margin. I wasn't - - -

Well, you knew he had a margin, though, didn't you?---Yes. To the value, I wouldn't be able to tell you exactly. Mr Dubois was very, sorry, sorry.

THE COMMISSIONER: Sorry, what did you say as to the value?---As to the value I was not familiar, Commissioner.

You were not?---Familiar.

30 Well, how would the value be determined?---I don't know. Mr Dubois would - - -

So who determined the value?---Mr Dubois.

I see. So he was in a sense acting on your behalf in that regard?---No, he managed those, as far as his, he was - - -

40 He managed those contractors?---Those contractors, yes. The ones that I managed are the ones that Counsel has mentioned, AA Steel, Lancomm, S A Masters.

MR DOWNING: But you knew for instance, and you gave some evidence about this earlier in the public inquiry, that they were meeting the cost of some materials and works on your house?---Yes, I did come to, come aware of that.

You gave some evidence about becoming aware, for instance, I think, that some gyprock had been, the cost had been met because you saw the name CBF on one of the dockets?---That's, that's correct.

You also gave some evidence that you recall Mr Dubois and Hoody actually coming to the house to measure up in respect of the gyprock. You recall that?---Yeah. Yes.

10 So you had, you gave quite a bit of evidence on the last occasion about the fact that it was Mr Dubois that you went through when it came to organising for works, but you knew, didn't you, through seeing names on dockets and through the presence of people like Hoody at your house, that the works were being picked up by contractors, not just by Mr Dubois?---Through Mr Dubois, yes.

Organised by him but ultimately that they were the ones footing the bill. ---How it worked on the agreement on their side, I wasn't familiar with.

THE COMMISSIONER: So in other words, all the benefits – I withdraw that. The work that was done by these contractors on your house was being done at no cost to you. These were freebies.---Yes, Commissioner.

20 Right. And the cost of those things, whether it be gyprock or whatever it was, would be loaded into any invoices?---Maybe it will have.

Is that what you understood, that Mr Dubois would have the cost of the materials that went for your house loaded into invoices that would be on-sent to RMS?---I can't explain exactly how he would structure it, but I would, from, from a high-level observation, I would say yes, Commissioner.

30 Either you knew or you assumed that that's the way he would deal with it, is that right?---Yes, Commissioner.

MR DOWNING: Thank you, Commissioner. And I take it because you knew the rough cost of the materials or the works that were being done on your house, you must have assumed that those contractors were loading in amounts in the thousands or tens of thousands.---As I say, I don't know how it was structured, but Mr Dubois said he'll take care of it.

Putting aside the structure for the moment, though, just in terms of the scale.---Yes.

40 You must have assumed that what was being loaded on, beyond the proper cost of works, materials and a normal profit margin, was sufficient to meet the cost of the works or the materials on your house?---I can't deny that.

Okay, now just on this topic, you also gave some evidence on the last occasion that in respect of the kickbacks you were receiving from AA Steel or the Alexanders, you said that on a couple of occasions that, in your evidence, it was actually Mr Alexander who set the margin. Now, that's not

quite correct, is it?---Discussions with Mr Alexander just was “How much have we got to play with here?”

So there would be backwards and forwards between you and him.---Correct.

But it was you who ultimately gave him the go-ahead as to what he could put on the bill?---Yes, a mutual decision.

10 Well, you say a mutual decision but at the end of the day, it’s you who has to put forward the quote and recommend it, correct?---Yeah.

So you would talk to him, you would suggest an amount that was worthwhile to you, I suggest, but not too big to draw attention. Do you agree with me that far?---And that’s where we would agree that that, that was okay.

20 But you had the power to say yes or no, didn’t you?---Yes. Both have, he could have said no, he, he doesn’t accept that, it’s not, not enough for him, you know? So it was a mutual agreement, yes.

Well, mutual agreement but I’m suggesting to you, and you can agree or disagree, that it was ultimately you who would give the approval or not approve the particular amount that was going to be added to a bill as a margin.---Counsel, as I said, we would discuss and we would agree if that’s okay to work with or no, he wanted more, okay.

30 Well, I’m going to suggest, you can agree or disagree, that it was you who ultimately set it.---No, I would say it was a mutual decision between both parties.

Now, I want to move to a different topic now and that is procurement policies at the RMS. Were you familiar with the RMS Procurement Manual that existed in the time that you were working at the RMS?---I might be. I can’t say yes definitely.

40 All right. Can I take you, please, and this is in the Corruption Prevention binder number 2. I think it’s Exhibit 192 at page 1278. That should come up on the screen in just a moment. You’ll see it’s an RMS Procurement Manual showing a date of issue of 15 September, 2014, and then an effective date of 30 April, 2018. First of all, does the look of the document seem familiar to you or not?---No, Counsel.

All right. Can we go ahead, please, to page 1279, and just enlarge that slightly? You’ll see that this is the revision history and what it indicates is that in terms of dates there’s revisions in 2015, 2016, 2017 and 2018. So just bearing those dates in mind, you’ll see the period that seems to apply, from the date of 15 September, 2014, on the front page and then the revision

dates, it's very much in that period when you and Mr Steyn were working under Mr Soliman, so 2014 through to 2018.---Yes.

You know those dates, don't you?---Yes, sorry.

All right. But do you say that this is not a document that's familiar to you?  
---I don't recall it.

10 Do you recall at any stage being provided it or being provided any training about its application?---I don't recall. I would be guessing if I - - -

Sorry?---I don't recall. I would be guessing.

All right. I take it from what you've said then that it's not something that you believe you used, that is in the day-to-day works that you were managing in your role with the RMS?---No.

20 All right. Can I take you, please, to page 1283? And you'll see this is the introduction part of that same document but do you see a paragraph about four or five down that starts "At appropriate stages"? Do you see that paragraph?---Yes.

Can you just read that to yourself, please?---Yes.

First of all, do you see the reference there to the Engineering Contracts Manual?---Yes.

30 Is that something you were familiar with?---The document, yeah, I think it's about that thick.

All right. So, you at least knew it in the sense that it was a big document?  
---Yeah. Never read it because a lot of the information in there was sort of more for, shall we say, large projects.

All right. But I take it, even from what you've told us though, you knew that it applied in the sense of it governing the way in which particular contracts should be managed depending on the type of project?---I, I would say yes but I didn't read it.

40 All right. Do you recall ever being given any training about it?---I think I went to a one-day, half-day session or something.

All right. Was it something that you used in the contract management duties that you conducted?---No, no.

All right. Do you recall that it distinguished – that is, the Engineering Contracts Manual – between minor and major works contracts?---No.

You don't?---I had a, I had a one-page piece of paper, I don't know whether it was given to me or Mr Soliman, which stuck on the wall which said this is minor, that's major. That was it.

All right. But you did know that there was that distinction between those types of contracts, minor or major works contracts?---Yeah, most of the stuff, I was told most of the stuff we deal with is minor works, so - - -

10 All right. But did you know what the difference was?---I think it was, I'd be guessing again, I think it's, came down to dollar value.

All right. But you did have some concept, you say, based on a one-page sheet that Mr Soliman had given you - - -?---Yeah.

- - - that there was this distinction?---Yeah, I, I think - - -

You thought based on that document, I take it, it was a dollar value?---I thought, yeah, it's a dollar value.

20 Right. So that most of the works you were doing, you thought were in the minor works?---Minor works, yeah.

Okay. Can I ask you to go please now to page 489, so this is part of the same Engineering Contracts Manual. You'll see that this is appendix 5B and it's guidance on whether to use a minor or major contract. Could this perhaps be the one-page - - -?---No.

No?---No. It was like a table.

30 All right. But do you see in that, well, can I just ask you to read to yourself that document for a moment and you'll see that in the first paragraph, it indicates all engineering contract works contracts for more than \$2 million are to be carried out using a major contract, with some exceptions?---Yes.

Does that seem to reflect your understanding that because the contracts you were dealing with were almost always less than 2 million, that they were generally not major works contracts?---No, don't recall that. The, the only contracts which came near that value were the camera contracts, which was a pre-existing contract already set up, which we have nothing to do with.

40 All right. Okay. But do you see down the page, there's a paragraph that starts, "Those contracts requiring use of the Pre-Qualification Scheme"? ---Yes.

Now, first of all, did you know what the Pre-Qualification Scheme was? ---No.

No familiarity with it at all?---(No Audible Reply)

All right. But do you see it gives an example of contracts requiring the use of the Pre-Qualification Scheme, that would be “Roadworks, bridgeworks, concrete paving, steel fabrication, asphalt paving and other specialist categories which should be carried out by major contract”?---Yes.

Now, would you agree that what that describes there is in large part the type of works that you were often looking after?---I think that’s talking about major works.

10

Right. But roadworks, concrete paving, steel fabrication, asphalt paving, that was - - -?---Well, didn’t give - - -

Just wait for the question.---Sorry.

Those categories of works were the sort of works that you were often looking after in your area. Correct?---Counsel, to, to make clear, you’re taking it out of context what’s meant there. Roadworks, I didn’t do roadworks. Okay? I didn’t, ‘cause the steel works we did is not what they’re talking about there. It’s minor steel works. The descriptions that they give there are for major projects.

20

All right. So do you say, looking at this now, first of all, is this something you’d ever seen before?---No.

But reading it, you think that it’s not describing the works that you did? ---Correct.

And do you say you’d had no training about this?---No, I don’t remember.

30

Sorry?---Don’t believe I’ve had. As I said, I went for a half-day seminar or something about it.

Now, can I ask whether you had any understanding in your area of work as to the circumstances in which you were supposed to use contractors from a panel?---No.

Well, you gave some evidence when you were here earlier in the public inquiry and you made reference to it just a moment ago, as well, to procuring cameras.---Yes.

40

And do you recall, I can take you to the transcript references if necessary, but do you recall giving evidence to this effect that with respect to procurement, except where there was a pre-existing panel, and you gave the example of camera procurement, that once the internal resources were made redundant, it was really up to you to find contractors to do the work?

---From, to explain a bit, the camera, everything was set up because they were major contracts. So what, once they were set up, we were told these

are the approved camera vendors to use because their camera system had to go to certain tests and be, for them to become approved to be used. So that was set up outside our main thing that we had to do. We were told, "This is the camera guys you've got to use."

All right. But beyond the camera, did you understand there was any other panel of contractors that you were supposed to use or had to use?---No. No, because the work was done internally, by internal resources, and then when they became redundant, we were told, "Well, find someone to do it."

10

Basically up to you to find someone?---Yeah.

So you had no knowledge of there being any other panel of contractors that you could use or were supposed to use?---No, because the, the, the contractors that were there, that were being used by other departments, were too busy to prioritise the works. So if I went, for example, if I went to another contractor that was being used by another department, his reason was I can't fulfil your timeline because I'm too busy with this.

20

Okay. So that once the internal resources became redundant, it then fell to you to find your own contractors?---You've got to complete the project.

And you didn't understand there were any pre-existing panels of contractors that could do work in your area, other than in respect of camera procurement?---That's correct. And some of the, some of the vendors that were used were vendors that were used previously by the area that, internal area that delivered the work.

30

And when you're referring to camera procurement, do you mean the cameras that were used as part of the point-to-point program that you were responsible?---Yes.

Right. Now, can I just go back for a moment to the Engineering Contracts Manual, to page 479. I just want to see if you could have a look at that. You said that you recall it was some sort of chart that you thought had been provided to you by Mr Soliman in respect of the major and minor works contracts.---Yes.

40

Right. 479. Does that look like what it might have been? You'll see that there's a reference there to major contracts or small works contracts. Tell me if that's too small to read.---No. As I said, it was a table which it had minor works, I think, major works. I think it had GC21.

So not this?---No.

Okay, all right, thank you. Can I just ask you this. To your knowledge, what change was there, practically speaking, in the procurement processes once the internal resources were made redundant? And by that I mean did it

become more efficient or less efficient from your perspective?---Don't think, I can't say it was more efficient or less efficient. It was – it, once you worked with the guys and you got them trained to the level of what needed to be done, you could let them go and do the work. You didn't have to babysit them, shall I say, on every site. We just allowed them to go and do the work. They knew what to do. They knew what precautions take place.

10 Okay. Now, again, thinking about the Engineering Contracts Manual, did you have any awareness that you were supposed to prepare a contract performance report in respect of the works that you were responsible for?  
---No.

No? Can I ask you to go back, please, to the same volume, at page 476. And bearing in mind that you've indicated that you understood that, in your area, it was almost always minor works contracts that were contracts that you were responsible for allocating and managing. Can we go – you'll see that this is section 5 of the Engineering Contracts Manual. Can we go to the bottom of the page, please. And do you see Reporting?---Yes.

20 And then 5.4.9.1 Performance Reporting?---Yes.

Just read that clause one at the bottom of the page and tell me when you've done that.---Yes.

And if we go over the page, please, so to page 477. Do you see point 2, or clause 2, is "Performance report should be prepared for all minor physical works and service contracts valued over \$50,000."---Yes.

30 Now, on the face of it, that would apply to a large percentage of the contracts you were responsible for, correct?---Yes.

Can I then take you, please, same volume, to page 481. And you'll see – sorry, is that 481? Perhaps 491. I apologise if I've taken you to the wrong page. Thank you. Oh, no, sorry. I think it's, sorry, can we try 841. I think I've – numerical dyslexia on this. Apologies, Commissioner. Let's try 581. Apologies for that, Mr Steyn. You'll see that this is again part of the Engineering Contracts Manual, it's appendix 5BB and this is an example of a contractor performance report. So this was an example of the type of report that I just took you to that suggests this is supposed to be prepared for  
40 any minor works contracts for more than \$50,000 in value. Have you ever seen this?---No.

Did you have any awareness that those reports were supposed to be prepared?---No.

You've never been instructed about it or trained about it?---Not that I recall.

And I take it you never prepared such a report?---No.

Now, you made reference earlier in your evidence, that is back in May, to the public inquiry, but also again today, to the idea of expenditure of certain RMS money on some jobs or some works being made by reference to it being a bucket of money.---Correct.

10 Now, can I ask you to explain the concept of the bucket of money and indicate what did it apply to?---It, it was mainly for reactive works. The concept was that for reactive ticketed work, if you need a supplier to go out to a particular, attend to an emergency, whether power was shut down or, to go and rectify the problem. So in order to get that, you would have to generate, get a quote, generate a ticket of work, generate a work order which could take two weeks. We don't have two weeks, we need to get that up and running now. So the idea was during - - -

20 So for instance if a power pole came down on a road or something?---Well, that's extreme. If we lost power to a site, because there's KPIs to be measured, government has KPIs to meet, because under Freedom of Information (not transcribable) the up-time of the camera. If you spent X amount of dollars, however million dollars, on that site, how efficient is that site running? Has it been on 80 per cent, 90 per cent of the time? There are KPIs to be met. So if you lost power to the site, it wasn't that you could wait two weeks to get somebody out to go and fix it, you had to get somebody there ASAP. If a flash was going off continuously for no reason, you need to get a technician there to fix it straight away. So you can't wait two weeks to get a work order raised for it. You got, so the idea was you raise a bucket of money and you have this bucket of money, so go there, fix it up now and charge.

30 Right. So it's really for reactive works that need to be turned around in a short time frame.---Mainly, correct.

And thinking of the contractors that you dealt with, which of them did this concept of the bucket of money apply to? So, thinking first of all of Mr Masters and the electrical work he did.---Yeah, yes.

AA Steel?---Yes.

40 So, some of the works. I take it not all of them.---Yes, yes.

What about Lancomm?---Yes. I would say so.

And what about any of the other contractors?---Mr Duchesne, M&M, yes.

But would there really need to be urgent or semi-urgent quality works for Mr Duchesne?---Well, Mr Duchesne would go out, if I asked him to go out and he can't give me a price, I would go and investigate for, as an example, I could use, you're not allowed to use flame, an open flame in the tunnels.

So when you put the marker, markers down for the enforcement, to mark the enforcement zone, you can't use an open flame because it's thermal plastic paint. So Mr Masters, I want you to go and find me something that can be used that's not going to come off in three months' time because the tunnel closures may only be ever six months or once a year. So if the lane comes off, it's not in the image, it's not enforceable. So I need you to go and investigate on what type of paint is usable, well, be robust enough for the purpose. So how does he give me a quote for that? So here's a bucket of money, go and find that, and I want you go out and test it. So that's where, shall we say, the bucket of money, go out and bill me.

So did you have the bucket of moneys then, sorry, buckets of money applied for different types of work?---Different types of activities.

Right. And did that apply each year? So would it be an annual budgetary thing?---Yes. It, it would be used until it's expunged, and then it will generate another one.

THE COMMISSIONER: I don't understand this. Bucket of money.  
20 Firstly, money. Whose money? RMS's money, obviously.---Correct.

Right. And you start with a bucket of RMS money. You start, and who puts the money, the quantity of money, to half fill the bucket or right fill the bucket up? I don't understand these concepts, how they operate in practice. ---Yes, Commissioner.

Can you explain that to me?---Sure. So to, as an example, if there's a particular vendor that supplies reactive works - - -

30 Particular?---Vendor.

Vendor, yes.---That supplies reactive works and you need him to (not transcribable), so you want to say, "Give me a quote for a value of \$30,000 for reactive works."

Okay. So he gives you an invoice for 30,000.---Quote, quote. Sorry, Commissioner, quote.

40 Right, a quote.---You would then put that in, generate a work order, which will have that value in there. So when he goes and does the work, whatever the cost of the work is, he would charge to that work order. That would be deducted from, if you say, the bucket, as you say.

Is there a fixed amount of money from which the \$30,000 is taken?---It's from - - -

Is there a bucket, when you talk about a bucket of money - - -?---From the budget, overall budget.

Pardon?---From the overall budget.

From the overall budget. So there was a budget prescribed - - -?---For the program, Commissioner.

- - - for certain types of work, is that right?---For the program, Commissioner. So - - -

10 What program?---It, shall we say there's three types of budgets allocated to the enforcement program.

For a particular project?---Program. Program of works, which constitute - - -

Program of works.---Can be a hundred projects in that program.

20 Right.---So the budget allocated for, might be opex budget, which is operational expense. Capex is to grow the program. And then you get – I forget the third one. Anyway, I forget the third one, which is more like advanced improving, upgrading of equipment that's become extinct or unsupported. With technology like these cameras in here, six months, 12 months, the technology advances, so - - -

So there is a budget set for a program.---Program of works.

Program could involve lots of different jobs or projects.---Projects, yes.

30 Right. And you've got to work within that budget for the program?  
---Correct.

Okay. And, all right, so when you're referring to a bucket, you're really referring to a budget, is that right?---As I say, Commissioner, there's the overall budget - - -

Overall budget for what?---The program, the entire program of works.

Yeah.---If I could, as an example, let's call it the point-to-point program.

40 Call it the what?---Point-to-point program. There's a capital budget, which is to grow the program, more sites, build materially. There is the operational budget, which is to pay for the electricity for that site, electricity bills, the reactive works, any maintenance you pay for various jobs. So each site gets electricity bill every month. That has to be paid. Now, there's a, a maintenance budget, the camera vendor gets paid a maintenance budget every month for maintaining those, those cameras.

So the bucket of money is there for capital and operational expenditure?  
---Yes. That's the overall budget, Commissioner.

All right, okay. That's the overall.---Overall budget.

Okay.

10 MR DOWNING: Does it follow from what you've said that the bucket of money needed to be spent by a particular time, otherwise those funds would be lost?---Correct.

So that there was, in effect, an incentive to try and use it up because otherwise it might affect your budget for the next year?---Correct.

And it's those moneys, wasn't it, those moneys in the bucket, that you sometimes allowed contractors – whether it was Mr Masters or Mr Rahme – to bill you for works that either didn't need doing or, in fact, weren't done in order to use up the money in the bucket?---Yes.

20 And those moneys were then returned to you often in the form of kickbacks?---Partially, yes.

Some of them went to - - -?---Sometimes some of it went to works that needed to be done, but they already were charged so they didn't charge for the works.

And you would also let them, on occasions, increase their margin so that that money could then be returned to you as in the form of a kickback?  
---Sometimes.

30 Right. So, all right. So, thank you, I think I – the Commissioner and I have a better understanding now of what the bucket of money meant. Can I take you to a different topic now? You'll recall that you and Mr Dubois both used WhatsApp and communicated through that.---Yes.

And I want to take you to some of those exchanges. Can I take you now to volume 1.3, at page 3? You'll recall that when the search warrant was executed on you, a number of your phones were seized.---Yes.

40 And what I'm going to take you to is the extracted WhatsApp exchange between you and Mr Dubois. I want to ask you some questions about different communications. Do you see, first of all, in the number one WhatsApp message there, I won't read out the number but that's your number in the column 2?---Sorry, which one?

Do you see first message, do you see top of the column there's a - - -?---The one above my name?

Yes.---Yes, yes.

That's your number?---It was.

And do you see from that message there, it reads "Hey mate. Hope all okay. My number, if you need anything, Buzz."---Yes.

And you know from Mr Dubois and your communications with him that that was his nickname?---Yes.

10

So you'll see that on that occasion, that's a message coming from Mr Dubois to you?---Yes.

But do you see down at number 3, where the blue "Craig Steyn Personal" is in the "From" column, I'm going to suggest that's a message that you are sending to him.---Sorry, is that row 3 or - - -

Row 3. Do you see that your number appears in the "From" column rather than the "To" column?---Yes.

20

So you'll see, I'm going to suggest, that that's a message from you back to Mr Dubois. So number 1 is Mr Dubois to you, it's to your number, whereas number 3 is from your number.---Okay.

So, you'll see in message number 3, it's you asking "Where are you?" Do you see that? And this is on 5 October, 2018.---Yes.

And number 4, you'll see that this is Mr Dubois responding in that it's to your number. He responds, "He's away," and asks why.---Yes.

30

Again on 5 October, 2018. And if I could take you, please, over the page to number 6, you'll see this is a message from Mr Dubois, he indicated he took leave from the 4<sup>th</sup> until the Wednesday.---Okay.

Can you go, please, to message number 7, same page? Again on 5 October, this is from you. "Okay. You needed to put me as the contact on your out of office."---Yes.

And you'll see below, message number 8, Mr Dubois responds "No, why?" ---Yes.

40

And in message 10 he indicates, this is again from Mr Dubois, again on 5 October, "It's only two days." Do you see that?---Yes.

Do you recall why it was you were asking him about why he was away and suggesting to him he needed to put you as a contact on the out of office? ---Because sometimes you would get queries from different areas of management in the business as to what was happening with a particular, to

do with your parcel of works and when there, there was no, there was no way of contacting somebody management would be very upset.

All right. Well, can we go over the page, please, to message number 12, and you'll see this is from you and you respond "Because if they can't contact you then they go up the chain" with an exclamation mark. "Nothing serious, I sorted it out so all good, just enjoy the break."---Yeah. Somebody was probably trying to contact him and if they can't contact him, they go up the chain. If it's something that we can give an answer then and there - - -

10

Well, can I ask who is the "they" that you were referring to?---Counsel, to be honest, that's 2018.

THE COMMISSIONER: Sorry, who?---To be honest, Commissioner, it's 2018. I, I can't say who but it most likely would be senior management, it most likely could be another department.

MR DOWNING: Well, you were saying that "If they can't contact you then they go up the chain."---Yes.

20

It wasn't a contractor that you were referring to?---I don't know, Counsel.

All right. What was your concern about whoever might contact Mr Dubois and be unable to going up the chain?---Well, in the, in, in the program works, if you run, if you're running a program of works and you're not contactable, then they go up the chain, they want answers up the chain, can't get answers of what's the progress or what's happening, they need to talk to you.

30

THE COMMISSIONER: Doesn't it mean that, when you say they will go up the chain, that they will go up to higher management level?---That's correct, Commissioner.

Okay. And you were concerned that particular job or transaction might come to the attention of upper management, and you didn't want that to occur.---No, that's probably incorrect, Commissioner.

40

Is it? All right.---To be clear, Commissioner, it might have been a query about a particular activity, what's happened with the activity, or something might have gone wrong on the site, what's actually happening.

MR DOWNING: So you deny that there was concern that it might, if Mr Dubois didn't direct or divert the inquiry back to you, that it might attract some scrutiny of what you and he were doing?---No.

But it is the case, isn't it, that by this point, 5 October, 2018, for some years you and he had both been acting corruptly in the sense of giving out work in return for benefits?---Yes.

And you knew he was doing that.

THE COMMISSIONER: Sorry, and you knew that senior management were unaware of what was going on?---Yeah, yes.

10 So you wanted to operate with, as Mr Dubois would also want it to operate, without alerting senior management to kickbacks and the like?---Well, Commissioner, to be fair, the context of this has nothing to do with making management aware of any - - -

I know that you're saying it's not, the context is different.---Yes.

What I'm putting to you is, throughout the period you and Mr Dubois were receiving kickbacks, you wanted to keep all of that secret from upper management. You didn't want them to know about the kickbacks, obviously.---Certainly. Yes, Commissioner. Yes, Commissioner. But in this context I would say it's different.

20 So you were concerned that the opportunity would not occur whereby suddenly, by mistake, upper management might become aware of the fact that, hang on, this practice of yours is occurring? That is to say that purchase orders and invoices contained improper amounts of money belonging to RMS. Perhaps I'll put it another way. Throughout the period you were receiving kickbacks, you were operating the system that produced kickbacks in way that it would not alert senior management. That's right, isn't it?---Yes.

30 I mean, it's part and parcel of keeping it secret.---Well, yes.

Okay. So isn't it that you wanted to keep the work under the control of yourself so that it wouldn't, if you're not present or the same if Mr Dubois is not present, upper management might come to discover the kickbacks were being received. You understand? I mean, do you understand what I'm putting?---I understand what you're saying, Commissioner.

Yes, but what's your response?---I, I would have to disagree.

40 All right. Well, I'll put it another way. Isn't it the case that you and, to your knowledge, Mr Dubois took every step possible to prevent senior management becoming alert to what was going on so far as kickbacks were concerned?---I would say yes.

Ah hmm, all right, yes.

MR DOWNING: Can I ask, though, why were you keen that he put you as the person that would have calls diverted to or communications diverted to in the instance of him being away?---I wasn't keen but we did very similar

work. So I, I could understand what was happening in his program of works, an idea of what, what, what takes place or what needs to be done. I had my own program of works. So he understood the type of works that I did, I understood the type 'cause the works were similar. Not exactly the same but very similar.

But if he's away for a couple of days, why would it matter if there was a delay in someone understanding what was going on with his works?  
---Because when you don't get responses straight away, people get upset.

10

You maintain that there was no part of your desire here that he put you down as the out-of-office contact, motivated by a desire to avoid anyone scrutinising your and his works?---Yeah.

All right, well, I'm suggesting that was part of your motivation but you disagree?---That's correct.

20

All right. And do you recall Mr Dubois reacted angrily to your suggestion that he needed to be put, that you needed to be nominated as his contact?---I don't recall but I'll give it to you.

Have a look, please. If we go back to page 5 of volume 1.3. You'll see message 13. I won't read it out but you see his response?---Sorry. That wasn't reaction to me. That was reaction to people chasing him for information.

You're saying it wasn't a response to your message?---Not to me personally, it's more - - -

30

All right. Do you see message 14?---Yeah.

And then your response in message 15, all again, on 5 October, 2018?  
---Yeah, I'm unable to resolve it, the, the query.

40

All right. Can I ask you to go ahead next, please, to page 12 of the same volume, so again in the WhatsApp exchanges between you and Mr Dubois. And you'll see there's a lengthy message, number 70, if we go down the page, please. And this is from you, you'll see, to Mr Dubois. And I want to you read that to yourself. Tell us when you've got to the bottom because it doesn't quite cover all of it but read it to yourself, please, and tell me when you've done to the bottom of it.---Yes. Good.

Now, you'll see going back to the beginning that this was a message you sent on 27 November, 2018.---Mmm.

Now, it deals with work-related issues. Correct?---Yes.

But you've obviously sent it via WhatsApp. I take it there was a reason for that?---No particular reason - - -

Well, I mean, ordinarily - - -?---It's just sometimes we're communicating - - -

I'm sorry. I spoke over the top of you.---No particular reason. Sometimes we just communicated on WhatsApp.

10 Well, ordinarily, you would communicate via work emails, wouldn't you? You both had RTA or government RTA or RMS email addresses.---Not always.

Right. Now, in it, you take issue with some exchange that there seems to have been between you and Mr Dubois. Correct?---Yes.

And there's a reference in there to "not a professional services PO but all POs got knocked back". Do you see that?---Yes.

20 Now, had there been some event that you can recall now where all purchase orders had been knocked back in your area?---I think it was when Mr Soliman was stood down.

Right. And you recall, don't you, that he became the subject of an investigation - - -?---Yes.

- - - and he was stood down in late 2018?---Yes, something.

30 And it seems from what you've said there, you say, "A lot has to do with Samer issue, where they want full visibility and access to all buckets."---(No Audible Reply)

Sorry. You need to verbally respond rather than nodding.---Yes. Sorry, sorry, Counsel. Yes.

40 That's all right. So do you recall that after Mr Soliman was stood down that there was some increased scrutiny that led to, first of all, purchase orders being knocked back?---Yes, I think they've - I'm just guessing, trying to recall, I think they froze all processing.

I take it that you understood from that it meant that both your and Mr Dubois's contracts and the purchase orders associated with them would probably be subject to a greater level of scrutiny?---Yes.

And that concerned you, didn't it?---Well, it concerned me that they wanted work done but wouldn't approve the funding for the work.

So you were concerned - - -?---They wanted work done. They wanted it completed.

Okay, so you had a concern from the perspective of the work that you're responsible for not getting done.---That's right, 'cause I had KPIs to meet.

10 All right. But you must have had a concern beyond that, that if now Mr Soliman is being investigated and the works in your area generally - that is, in the area under Mr Soliman - were being scrutinised, that you could be exposed?---May very well be.

Well, it's not just a case of may very well be. You knew you were acting improperly, correct?---Yes.

And you didn't want to be exposed.---Nobody would want to be exposed in that situation. That was all.

20 Well, I'm asking you about you, though, not what someone else might want.---Yes, yes.

And I take it you were also, through this message to Mr Dubois, alerting him to what had gone on? That is, that there had been this issue with Mr Soliman, purchase orders have been frozen, and now there seems to be a greater level of scrutiny of the works.---No, he was aware what had gone on.

But I take it you had a concern for him as well because you knew that he was acting corruptly as well.---No.

30 You didn't know that?---No. No, I didn't have a concern for him.

Well, weren't you concerned that your schemes were intertwined in a sense, and that if he were exposed, there was a very good chance you would be as well?---May well, may very well have been. I don't think it, it happened, so I, I wasn't - if you asked me at that point was I concerned, no, I wasn't concerned.

40 You don't believe you had any concern about that at the time?---At the time, no. A concern was, well, listen, you, you're going around telling people you're the hardest-working person in the company.

Sorry?---You're going around telling people you're the hardest-working person in this company. Everybody works just as hard. That was what that was about.

Right. So no part of it was, in effect, trying to make sure that you and he were on the same page - - -?---No, definitely not.

- - - if it came to greater scrutiny of the works that you were responsible for?---Definitely not, Counsel. There was no, as I said, because he went around telling people he's the hardest-working person in this place, nobody works as hard as him.

All right. Can we go back to the message, please, number 70 at page 12. Do you see the paragraph towards the bottom, "To clear something up, I don't talk to anybody about our shit"?---Correct.

- 10 Pause there. What's "our shit"?---We're talking about our, how we work, our relationship. I don't go around telling people Alex is lazy, Alex is this. I don't go around telling people that.

You're sure - - -?---I don't go talking him down to other people about his work.

You're sure that that's not a reference to the improper activities that you're engaging in and you knew he was engaging in?---Quite sure.

- 20 All right. So then going on, in the same paragraph, "I okay now. Jai very well and I don't trust him, so he only knows what I want him to know!" Just pause there. Now Jai is a reference to Jai Singh, correct?---Yes.

And Jai Singh was someone that worked in your area?---Yes.

What was his position? Just remind me.---Not sure.

Was he equivalent to you, a superior to you?---No, I don't, no, I don't think he was equivalent.

- 30 Sorry?---I don't think he was equivalent.

Well, was he working at a lower position than you or - - -?---May have been.

But, for instance, he had been part of the, when it came to the Heavy Vehicle Maintenance Panel, he was part of the Tender Evaluation Committee with you, wasn't he?---I think so.

- 40 Right. So you'd worked with him.---If we're on the same level or - he wasn't superior to me, but the same level, I'm not sure.

But in the same area.---Same area, yes.

So where you say you know him well, you don't trust him "so only knows what I want him to know", what was that a reference to?---It was Mr, Jai, I'll just call him Jai, was involved with Mr Soliman, so - - -

Were you aware that he was also part of the investigation at that point?---Jai mentioned something.

All right. But separate to whatever he and Mr Soliman were doing, weren't you communicating in this message to Mr Dubois that you had been deliberately – sorry, in the context of your shit with Mr Dubois, that you'd been deliberately giving him only the information you thought he needed to know?---No, personal issue, I, I don't go to Mr, Mr Jai and say, "Alex is lazy. He doesn't do a lot of work. I work the hardest in this space."

10

Well, I'm going to suggest to you that that was a reference to your and Mr Dubois's improper activities and you limiting the information to Mr Singh in relation to what you were actually doing. Do you agree or disagree?---I disagree.

All right. Now, in the next paragraph you say, "I never come down in the last shower, dude. So while I turn a blind eye to a lot of shit, your thinking I might be dumb is a mistake on your part." Can I ask what that was a reference to?---Once again, Mr Dubois goes out and does what he wants to do and he's, he's not in the office all the time but again he's, he claims he works the hardest.

20

So you were referring to him claiming to be the hardest worker when in fact you didn't think he worked that hard?---I didn't say I didn't think he worked hard. I said he, he wasn't the hardest worker. And his claim was he works the hardest, nobody works as hard as him,

What were you turning a blind eye to according to this message?---Well, what he goes off and does. When he goes out and goes for three hours out of the office. I don't know, do I know if he's working? I don't know if he's working or he's not working. So - - -

30

So – sorry, please continue. I interrupted you.---So I don't, I turn a blind eye to that because it's it not my business.

Wasn't it a reference to the massive-scale corruption you knew he was engaged in at the time?---Definitely not.

Right. And when you say in that paragraph you "turn a blind eye to a lot your shit. Your thinking I might be dumb is a mistake on your part," weren't you in effect warning him I'm onto you, I know what you're doing so be careful what you might disclose?---No.

40

Right. All right. And you finished with "Take some time to soak this up, mate."---Yes.

Weren't you in effect, I'm going to suggest, trying to warn him that he needed to be careful what he should disclose because there was now greater

scrutiny, your works were going to be looked at and you didn't want to be exposed?---Definitely not.

All right. Can I ask you then, please, same volume 1.3, go ahead to page 33? And you'll see the first message on that page, 222, we're now 26 February, 2019. So we're now into 2019. Do you see there's a message from you saying, "Sunday works not going ahead. Roger rejected the works for SPD and vegetation clean-up, so no work is going ahead."---Yes.

10 So that's a message from you to Mr Dubois.---Yes.

First of all, can you just confirm for us, Roger is a reference to Roger Weeks?---I believe so.

So, it seems he'd rejected some works that you had proposed.---Yes.

And can you assist us with the SPD reference? What's that?---Shortest practical distance, it's an enforcement line. So - - -

20 Right. So – sorry. Go on.---SPDs are, are on the road, cannot be done in live traffic because you're impeding the actual lane. So they're normally done, and I, if I, I may be, I'm, I'm trying to recall it but I think this might have been at Mount Ousley because they closed Mount Ousley. They closed the entire - - -

Mount Ousley?---Yes. They closed the entire road from Picton all the way down to Wollongong. So it's an opportunity to get in there and do works.

30 Right. So you think it's a reference to that area of works?---Yes.

Can you recall why they were rejected by Roger in this instance?---I think the work was covered by an alternate area because they were already doing work there.

Right. By this - - -?---Sorry. They were, they were doing other works in the vicinity so I believe it was recommended that they do the works.

40 By this point, it's some months after Mr Soliman had been stood down and had been investigated, correct?---Yeah, I think so.

And there had been that period where the purchase orders had all been rejected and there seemed to be greater scrutiny of them, correct?---Yes.

Did you have any concern at this point about your works perhaps being exposed as involving overcharging by contractors and kickbacks being received by you?---I don't recall, I might have.

Can I ask you then, please, to go ahead to page 40, same volume, 1.3? And I want you to go, please, to message 279. You'll see it's from you to Mr Dubois, 30 April, 2019. And do you see you send a link and it's to the ICAC publication or press release in respect of the investigation into Operation Ember.---Yes.

And you're aware, aren't you, that that was the investigation into the conduct of Mr Soliman and Mr Singh?---I believe.

10 And just pausing and looking at the date, 30 April, 2019, do you recall I asked you some questions when you gave your evidence back in May about a particular car that you had organised through Mr Dubois for your wife to have?---I don't believe I've organised for my wife to have, Counsel.

Sorry, well, what did you do?---Mr Dubois said to me, "Hold onto this car." He was, he was assisting me with his contacts. He was going to assist me to procure a vehicle later, and was to hang onto this car until such stage that he's ready.

20 I may have misled you, that may in fact be Mr Dubois sending it to you. If we go back to the message, sorry, enlarge it again. So it's showing it as incoming, and this is from your phone that it's been extracted.

THE COMMISSIONER: Is this established, is it, it came from Mr Dubois?

MR DOWNING: From the numbers there, it's showing as incoming and it's from a phone. It's been extracted, I understand, from Mr Steyn's phone.

30 THE COMMISSIONER: Now, Mr Steyn, you recall receiving this?

MR DOWNING: I apologise. I think I've – I think this may in fact be Mr Dubois' phone that it's been extracted from.

THE COMMISSIONER: Say again. What's the situation?

MR DOWNING: So it's from Mr Dubois's phone, and in this instance it's an incoming message to Mr Steyn.

40 THE COMMISSIONER: From Mr Dubois?

MR DOWNING: From Mr Dubois.

THE COMMISSIONER: You recall receiving this message from Mr Dubois?---Commissioner, asking me today if I recall, no. Looking at that, yes, it happened.

Well, it was fairly startling news, wasn't it, that he was putting in this email, that he was informing you or tipping you off that ICAC had got involved

with RMS contracts and were investigating. It was a pretty important message, wasn't it?---Commissioner, I think Mr Sarkar mentioned something prior to this.

Sorry, you what?---Mr Sarkar had mentioned something about it prior to this.

10 Yeah, maybe so, but here's your colleague, Mr Dubois, as it were, informing you or tipping you off. In effect he was saying, wasn't it, "Watch out. ICAC's involved in RMS contracts."---No, Commissioner. This is April 2019.

That's right.---We, I think we became aware through Mr Sarkar the previous year that ICAC was involved with Mr Soliman.

Well, did you have a discussion with Mr Dubois about how you should conduct yourselves, knowing that ICAC was now investigating?---No.

20 You never discussed it with him?---No, Commissioner.

Well, here he is sending you a message, informing you that ICAC's involved.---Yes.

Are you honestly saying you never, ever discussed with Mr Dubois what you should do, knowing ICAC was looking into or investigating - - ?---No, Commissioner.

30 Never discussed it with him ever to this day?---No. No. No, I don't recall discussing to this day. I haven't spoken to Mr Dubois since I had the pleasure of - - -

Well, when you read that message, it must have caused you considerable concern to know that ICAC was investigating RMS contracts.---Yes.

Yeah. It did?---Yes.

I think that's understandable.---Yes.

40 And once you knew that ICAC was investigating, did you speak to somebody, anybody?---No.

No, no one. Kept it to yourself?---Yes.

And you never responded to Mr Dubois's email or – is it an email? No, it's not, it's a - - -

MR DOWNING: WhatsApp message.

THE COMMISSIONER: You never responded to this WhatsApp message from Mr Dubois, 30 April, 2019, about ICAC's investigation?---Don't believe I did.

Hmm?---I don't believe I did.

You don't believe you did. All right.

10 MR DOWNING: Just again bearing in mind the date, do you recall – I just want to take you back to the evidence you gave about the car. Without going through the whole, rehashing the whole series of answers you gave, you described giving it back or returning it to the Alexanders at some point. Do you recall that?---Yes.

And I took you to some documents showing photographs of it and suggesting you still had it, but you gave some evidence that you thought it was at some point before the search warrant was executed on you on 18 June, 2019, that you returned it.---Yes.

20 And you gave an answer, and I can take you to the transcript if we need, where I asked whether it might have been that it was after you became aware of the Commission conducting an investigation into Mr Soliman that you returned it.---Yeah.

30 So bearing in mind that this is a message through WhatsApp on 30 April, 2019, confirming that through the ICAC press release that the investigation into Mr Singh and Mr Soliman was underway through Operation Ember, do you think it could have been that it was after Mr Dubois sent you this that you decided that it was time to return the Mercedes to the Alexanders?---To be honest, Counsel, I'd be guessing but I'd say it's probably before.

Well, I took you to some documents on the last occasion suggesting you still had it in early May 2019. This is 30 April, 2019. Could it be that you had it until that time and that it was this publication that led you to decide that it was time to hand it back?---No, I, I, I couldn't link the two positively or accurately say yes, for sure, but I'm pretty, I'm pretty sure it was before this.

40 Right. But you must have had a concern at this point, though, that when ICAC started to scrutinise the particular area of work that Mr Soliman was responsible to, the contracts that you'd been involved in were going to be looked at carefully?---Yeah.

You must have had a concern then that it was likely at some point that someone would start to see problems in the works that you'd been involved in. And I don't mean in the performance of them but in the practice of getting quotes and billing and payment?---Yes.

And whatever you'd understood earlier when you heard that there was some investigation being undertaken, when you say that it had been published on the ICAC website, that must have raised your level of concern?---Yes.

Can I take you, please, then to page 46 in the same volume, and to message, the last one on the page, 327. And you'll see again this is from, it's incoming to you from Mr Dubois on 31 May, 2019, at 8.44 in the morning. Do you see that?---Yes.

10 And there's something attached to it. You'll see that it's an image.---Yes.

Can we go to the next page please to 47. And you'll see what it is is that he's sent you the witness list for the upcoming Operation Ember public inquiry showing the witnesses that were to give evidence that week.---Yes.

So had you and Mr Dubois in that period, between him sending you the ICAC press release on 30 April and then this being sent to you on 31 May, been discussing the hearing and what might come out of it?---I can't say we discussed what would come out of it. It was just, this is what's happening.

20

Well, this must have increased your level of concern further, though, that your area of works and your contracts might be the subject of review and comment in the Commission?---Counsel, if your question is was there discussion about what, no, there wasn't discussion about what was happening. It was more around, okay, these are the witness.

Well, just thinking about the witnesses, did you have any concern that, for instance, Mr Soliman might say something about your activities?---No.

30 You say that as far as you were aware, he had no knowledge of what you were doing?---Not that I know of.

All right. Can I take you then, please, to page 48, same volume? And you'll see this follows on from the page I just took you to and that last message with the list of witnesses. And you'll see this is now a message outgoing from you where you say, "What about Barry and Arnold and Brett and Nathan?" You see that?---Yes.

40 Now, pausing there, can you tell us who Barry was?---Yeah, Barry was a gentleman that we worked with.

Sorry. This is from Mr Steyn – I'm sorry, from Mr Dubois. It's from Mr Dubois to you, so this is him communicating to you. Do you know who the reference to Barry is a reference to?---I think it was a gentleman that worked in (not transcribable)

Barry who?---I don't know, I can't remember, but if you tell me, I'll, I'll - -  
-

I take it Arnold is Arnold Jansen- - -?---Yes.

Do you know who Brett is?---No.

Nathan, did you understand - - -?---Brett might have been the Manager of Heavy Vehicles, another department.

Right. Surname?---I don't know. I can't remember.

10

Do you know if Nathan is a reference to Nathan Chehoud?---May very well be.

So a person from WSP who'd be involved in respect of the Heavy Vehicle Maintenance Panel?---I don't know where he's from, but, yes, he was involved in Heavy, Heavy Vehicle (not transcribable)

20

Right. Can you recall whether on seeing that, that you had a concern perhaps that those other people might be called to give evidence and might have something to say about the area of works you were involved in?---No.

THE COMMISSIONER: Mr Downing, when a convenient time arises, we might take the morning tea adjournment.

MR DOWNING: Commissioner, that is a convenient time.

THE COMMISSIONER: All right.

30

MR DOWNING: I've finished with the messages and I can indicate that I'm confident we'll finish before lunchtime.

THE COMMISSIONER: Good. Thank you. I'll just speak to my associate. Yes. Very well. I'll adjourn.

#### **SHORT ADJOURNMENT**

**[11.32am]**

40

MR DOWNING: Thank you, Commissioner.

THE COMMISSIONER: Yes, Mr Downing.

MR DOWNING: Just to finish off a couple of matters with the WhatsApp chat, can I take you back, please, Mr Steyn to volume 1.3, page 48? And just that first message, so this is a message from Mr Dubois to you, "What about Barry and Arnold and Brett and Nathan?" With Barry, do you recall the name Barry Everson?---I think that's it.

As being a person within the RMS?---Yes, in the team.

Okay. And then with Brett, does Brett Patterson sound correct?---That sounds, that sounds like it, yes.

And are you able to assist us as to what position Brett Patterson held or not?---He was a general manager of another department.

All right.---Which was predominantly with Mr Dubois' work.

10

And then finally in respect to these messages, can I take you, please, to page 49 and to message 336? You'll see that that's an incoming message. So again accepting, and I'm sorry I misled you before, but this is from Mr Dubois' phone. So it's coming from you to him. Do you see it's 12 June, 2019?---Me to him or - - -

So it's incoming to his phone. So it's from you to Mr Dubois.---Oh.

And do you see it attaches something?---Yes.

20

It's an image, and if we go to the next page you'll see what you're sending is an email you'd received confirming that you were no longer required to give evidence at the public inquiry.---Yes.

And that's the public inquiry in Operation Ember.---Yes.

Now, can I ask, why were you sending that to Mr Dubois?---No particular reason. I just to say that I've got an email to say that I was excused.

30

Again, wasn't it because you were conscious of the fact that both you and he stood to be exposed, depending on what path the evidence went down in Operation Ember?---No.

All right. Okay. Commissioner, can I now tender volume 1.3, which is just headed WhatsApp Chat Dubois and Steyn?

THE COMMISSIONER: Yes. Very well.

MR DOWNING: I think we are up to exhibit 212.

40

THE COMMISSIONER: What's the number?

MR DOWNING: 212.

THE COMMISSIONER: Yes. Volume 1.3 will be admitted and become Exhibit 212.

**#EXH-212 – VOLUME 1.3 WHATSAPP MESSAGES BETWEEN  
DUBOIS AND STEYN**

MR DOWNING: Thank you. Mr Dubois, can I just take – I apologise. Mr Steyn, can I take you back just to one issue in respect of the procurement manual? I've already asked you some questions about the way in which there were different requirements for contracts that were allocated, depending on the financial value, so number of quotes if it was less than \$50,000, between 50 and 2,000 and then above – sorry – between 50 and 250 and then above 150.---I think so.

But can I ask, with those financial levels that governed the way in which you would go about getting quotes and whether or not you would open tender, did you understand that those figures were inclusive or exclusive of GST?---To my understanding, and this is just trying to recall back from the Finance Department because it was, everything was to be counted as excluding GST.

20 Excluding?---Yes.

Can I ask that you have a look, please, so if we go back to Corruption Prevention Binder number 2? So Exhibit 192 at page 1290. And can we just enlarge that, please, and ask that you look at the procurement thresholds in the green table at the bottom. Do you see Procuring for Construction?---I can't see that.

Oh, you can't see it?---No.

30 Is it still too small?---Yes.

If we make it a little larger? Thank you, that should be better.---Yeah, that's better.

So you'll see a reference to up to 5,000, 5 to 50, 50 to 250 and above 250.---Yes.

40 But do you see that each of those is described as being inclusive of GST?---I see that.

Do you say that that's not consistent with your understanding as to the way it worked from your dealings with the Finance Department?---Correct.

So if this is, if you accept from me that this is part of the procurement manual, do you say it was something you were unaware of?---No.

So, no - - ?---No, I was unaware of it.

Thank you. Just on a different topic now, Mr Dubois has given some evidence about a meeting that he says he recalls occurring in the Octagon Building in about 2017 or 2018, called by Mr Soliman but where you and Mr Dubois were called to attend. Do you recall any meeting to that effect? ---Well, there was many meetings with Mr Samer Soliman.

10 Well, can I put it in this context. This is Mr Dubois's account, and you don't have to agree with what he says, but I'll tell you what he indicated, and this is his, Commissioner, this appears in Mr Dubois' evidence at transcript 1028, at about line 36, through to 1030, to line 8. But what Mr Dubois described was being summoned to a meeting by Mr Soliman – that is, both you and he – that Mr Soliman indicated that he had been called to a meeting earlier, attended by Saurav Sarkar and Paul Hayes, and that there'd been some concern raised at that meeting about you and Mr Dubois giving out contracts to friends. Do you recall a meeting where Mr, first of all, Mr Soliman indicated that he had just come from a meeting with Mr Sarkar and Mr Hayes and where that concern about you and Mr Dubois had been raised?---No.

20 Do you recall any meeting with Mr Soliman where he said, in effect, he didn't care what you'd been doing as far as giving contracts for friends was concerned, he just wanted to make sure you were delivering on your works and making sure that your paperwork was up to date so that you covered your backsides? Do you recall Mr Soliman ever saying that?---No.

So you don't recall a meeting where that was discussed?---No. I think relationship with Mr Hayes was open enough for him to come and tell me directly if there was a problem.

30 All right, but you don't recall a meeting called by Mr Soliman in the Octagon Building where those matters were discussed?---No, no.

All right. Can I take you now to another matter. You recall giving some evidence on the last occasion you were here, back in May, in relation to spreadsheets that you had prepared for the purposes of the works that AA Steel were doing?---(No Audible Reply)

Sorry, you need to verbally respond rather than nodding.---Yes.

40 And I took you to some examples of the spreadsheets showing, on the one hand, jobs and purchase orders but also the amounts of money that the Alexanders or AA Steel were paying towards - - -?---Yes.

- - - you, your family or your house.---Yes.

And can I take you back to them, please, so volume 11.2, page 41, first of all. Do you recall this is the page I took you to, which you'll see it refers to various, well, first of all, it's dates in 2013, you see that?---Yes.

And I told you that this was a document that was found on one of the computers taken from the Alexanders.---Yes.

And I took you through some of the items referred there, to there, so cash, concrete cutting, Wideline, PK Roofing, Dural Pool Shop. And you agreed with me that it seemed that they were referring to costs incurred in relation to the initial build with the pool and the outbuilding at your property?---Yes, Counsel.

10

And your description of this document was you said this looks like the tally of moneys coming in, moneys going out kept by Ms Alexander - - -?---Yes, Counsel.

- - - after you actually prepared the initial spreadsheet.---Yes, Counsel.

So it looked like a partial document, that is, not the entire spreadsheet. ---Yes, Counsel.

20 And that covers the period, you'll see, from February 2013 through until 3 October, 2013.---Yes.

And if we could then go to page 50, same volume, 11.2. And you'll recall this is the more detailed and more lengthy spreadsheet that I took you to. ---Yes, Counsel.

Which does have the table at the beginning, which you confirmed was your work. That is, with the purchase order, scope of works, et cetera.---Yes, Counsel.

30

And also the AA Steel quoted price, the dollars awarded to job, and the Ki-Ty Investments column.---Yes, Counsel.

And if we go down through the next page, you then identified this as being the running tally kept by Ms Alexander of moneys coming in and out. ---Yes, Counsel.

And if we go back to the first page of that, so to page 50. You'll see that it seems to start in about August 2015.---Yes, Counsel.

40

And if we go through the pages, go to the next page, you'll see that that then runs from, it seems, November 2015 through until October 2016.---Yes, Counsel.

And the next page. October 2016 through until January 2018.---Yes, Counsel.

And the next page. January 2018 to August 2018. Correct?---Yes, Counsel.

And then the next page. From, sorry, August 2018 through until December 2018.---Yes, Counsel.

And then the next page. Sorry, that's just the detail of your wife's birthday expenses. So looking at those two spreadsheets, you'll see that the first one seems to cover a period in, through to November 2013.---Yes, Counsel.

10 And then the second one seems to start in about, sorry, it goes through, the first spreadsheet I took you to covers through to October 2013. The second one starts in August 2015 and runs through until December 2018.---Yes, Counsel.

Now, it's likely, isn't it, that in the gap period between those two spreadsheets – that is, from about November 2013 to July 2015 – there would have also been the same spreadsheet prepared?---Don't recall any spreadsheet.

20 Well, the idea of the spreadsheet – I withdraw that. You've told us that they were prepared from time to time to reflect both the works being done and the moneys being earned by AA Steel, and the moneys then being paid to you or on your behalf.---Yes, Counsel.

And it's correct, isn't it, that between November 2013 and July 2015, certainly AA Steel was doing work for you through the RMS?---I think so.

And also during that period works were being done in respect of your house.---Yes, I think so.

30 So it's likely, isn't it, that because both work was being done by AA Steel for the RMS and you were doing works on your house, there would have been some update in that period in terms of moneys coming to AA Steel and moneys being remitted back to you?---I can't confidently say yes, but I don't recall any, any sheets.

I know you don't recall every spreadsheet you prepared now, but over time typically what would happen is you would prepare it and send it through to Ms Alexander, correct?---The ones that you see, yes.

40 And then she would update it with moneys coming in and out.---Yes.

And during that gap period of November 2013 to July 2015, given that they were doing work – that is, AA Steel – and you were doing works on your house, it's likely that there would have been moneys coming in and moneys going out?---May very well have been, but I don't recall any records of it.

But given the practice you adopted, at some point it's likely in that period that you would have prepared a spreadsheet?---Can't disagree but I don't

believe preparing any spreadsheet, I don't have any copies of any spreadsheets.

No, I'm not suggesting you've got it now, but the practice you adopted, it's likely that there was one at some point in there to - - -?---I don't recall preparing a spreadsheet in that period.

10 All right. Now, do you recall back in May I asked you some questions about earlier evidence you had given in your compulsory examination, and I suggested to you that you'd lied in certain parts of that evidence?---Yes.

And you accepted that in some respects you did lie in the evidence you gave when you first gave evidence to this Commission in the compulsory examination.---Is this the private - - -

That is the private hearing.---Yes.

20 Commissioner, just in that regard, can I just confirm for you that you have made orders under section 112, varying the suppression order over the transcripts of the compulsory examinations. That's at transcript 273.25 and 289.49. So those orders have already been made. Just in fairness to you, I do want to just take you to the detail of the evidence you gave back in the compulsory examination and confirm with you my understanding of what you are now agreeing to in terms of what you'd lied about. You understand that that's what I'm asking?---Okay. I think so.

30 All right. Now, I asked you about your evidence about particular topics, and the first topic I asked you about was evidence you gave on the issue of whether the money that the Alexanders or AA Steel paid towards your house were a loan.---Yes.

And do you remember you made a concession that when you gave evidence in your compulsory examination, you claimed that that money was agreed to be a loan, and that wasn't truthful evidence.---No.

All right. No, you're agreeing that it was truthful evidence?---Yeah, that's correct.

40 All right, thank you. Can I just take you then to the transcript of the actual hearing, that is the public inquiry, you made that concession, and I'll take you to it just briefly, at transcript 276.28. If we could go to that, please. It will come up in a moment. So, if you can just start reading from the line at line 28, "And do you recall that I also asked you some questions," start reading there to the bottom of the page, please. If we can just move that down so that we can get to the bottom of the page. Thank you. So if you can just read to the bottom of the page and tell me when you've done that. ---Yes, Counsel.

So you made that concession that the evidence you gave about the money from the Alexanders or AA Steel being a loan wasn't truthful.---Yeah. See, to be clear, initially he did offer to help me, that was the case, he offered to help me but that didn't eventuate.

Well, do you say that he offered to help you and no more or that he said "This is a loan"?---No, he offered to help assist me with the, with the works.

10 All right. But you gave an account in your compulsory examination, and I'm going to take you to the detail of it, that it was specifically agreed that it was a loan and indeed a loan that was to be repaid at some point with a 10 per cent margin on top.---Correct.

And that wasn't truthful.---No.

All right.---As I - - -

20 Can we go now to the compulsory examination transcript, please, and to page 575? And if you could read, please, from line 31. It starts "Do you recall any of those communications now" down to line 42.---Yes.

So just dealing with that. It's correct, isn't it, that the evidence – I withdraw that. You say that there was discussion with Ashley indicating he would help you?---Correct,

And you maintain that part's true?---Yes.

30 But you concede that the suggestion that there was a discussion about it being repaid when everything is signed off and it's sold that you would have to repay at that point, that wasn't truthful?---No.

You're agreeing with me, it wasn't truthful?---Correct.

All right. Sorry, I just want to be clear so that there's no mistake when anyone reads the transcript as to what you're agreeing to.---Understood.

40 All right. And if we go ahead to page 576, please. And at line 20 where you say, I ask you the question, "But you say there was the initial discussion to the effect that once the house was completed, it would be sold and you repay the money?" And you said, "Correct." That wasn't truthful?---No.

There was no such initial discussions?---(No Audible Reply)

Sorry. Can you verbally respond, please.---Yes.

All right. And can I take you then, please, to page 667, again in the compulsory examination? And I want you to read, please, from line 31 to the bottom of the page. And you'll see it starts, "And this is summarising,"

so it's me asking you questions. Start from there to the bottom of the page, please.---Yes, Counsel.

And if you go to the next page, please, so 668, and read from line 1 down to line 21 and tell me when you've done that.---To line?

To line 21.---Yes, Counsel.

10 All right. So that deals partly with Mr Dubois but also partly with Mr Alexander, but again, the account you gave in that part of your evidence about Mr Alexander about a discussion whereby the money was to be repaid, it would be repaid when the house was sold and it would be repaid with the moneys advanced, plus a 10 per cent margin. That wasn't truthful? ---Yes, correct.

20 I'll come to Mr Dubois in a moment, but also that evidence about there being the same arrangement with Mr Dubois in terms of the moneys that he had arranged to be advanced and there being a repayment of moneys advanced plus a margin of 10 per cent, that wasn't truthful, either?---No, Mr Dubois was given money.

THE COMMISSIONER: I'm sorry? I can't hear you.---Sorry. Mr Dubois was given money.

MR DOWNING: Was given money?---Yeah.

By you?---Yes.

30 But I'm saying the evidence you gave about - - -?---No, the the - - -

Just wait for the question.---Sorry.

I'm asking you about the account you gave in your compulsory examination and you described having had discussions up-front with Mr Dubois and Mr Alexander. Pausing now and just dealing with Mr Dubois.---Yes.

40 Your account was that you discussed with him that for the works that he was organising to take care of, that he ultimately was to be repaid for that and he would be repaid in sums advanced paid, plus a margin of 10 per cent. Was that truthful?---No, Counsel.

It wasn't?---No, Counsel.

Thank you. And then if I could take you finally – sorry. I withdraw that. If I could take you to page 698. Same thing, in the compulsory examination transcript. And you'll see there you describe a discussion you say you had with Mr Alexander and I want you to read please from line 37. It starts,

“Well, explain to me” read that please to the bottom of the page.---Yes, Counsel.

And if we could go to the next page, please, 690. And I’m sorry, but I want you to read that whole page to yourself, please. So you’ll see that there’s exchanges involving both the Commissioner and I, but asking you questions about your dealings with Mr Alexander and whether he was loaning moneys for the purposes of the works on your house.---Yes, Counsel.

10 And then if we go to 691, please, down to line 8, so the first couple of paragraphs.---Yes, Counsel.

And down at the bottom of that page, if you could go, please, to same page, page 691, at line 38. That starts with “No indication”. Read that to the bottom of the page, please.---Yes, Counsel.

And then over the page to 692. Just read down to line 12, please.---To line -  
- -

20 About line 12, which ends with “roughly, yes”.---Yes.

Having been through those pages, that is 689 to 692, the evidence you gave about there being actual discussions about selling the property in about 2022 and repaying the money then, that wasn’t truthful, was it?---That was the plan, to sell the property.

Well, it might have been the plan, but please focus on my question. You didn’t discuss with Mr Alexander up-front.---Yes.

30 You say that there was really a discussion about that?---Yes.

And I’m suggesting that’s not the truth. Do you agree or - - -?---That is the truth, Counsel.

So you say that was discussed initially?---Yes.

But there was no discussion about any form of repayment early on, was there?---No.

40 So why were you discussing – if there was no discussion about repayment, why were you talking about selling the property, you say, and giving money back?---Well, it was - - -

That doesn’t make sense, with respect, Mr Steyn.---Sorry.

Sorry. Please respond.---Well, it was discussion about building it, selling the property, and then getting another property and paying that mortgage, so having no mortgage.

Right. But as far as moneys that were going to be put towards the house from Mr Alexander are concerned, you say there was a discussion where he indicated he'd help you.---He did.

I think you can see there was no discussion beyond that in terms of but the help is only on the basis that it's going to be repaid.---Sorry, rephrase?

10 You don't suggest, do you, that when you spoke to Mr Alexander and he agreed to help you by putting moneys towards it, you discussed then that it was to be repaid, that in effect it was a loan?---There was basic discussion about "I'll sort you out later." Not formal discussions, no formal, shall we say, wording put in place or written agreements. It was just informal discussions.

20 But, Mr Steyn, I thought you'd conceded that the evidence you gave to this Commission in compulsory examination about it being a loan – that is, the arrangement with the Alexanders – that was a lie?---Sorry, Counsel. Let me be clear. There was discussion that he would assist me and whatever I owed him, I would pay. Okay? No formal discussion, no, as I said, no 10 per cent. But whatever he assisted with, I will have to return.

So your version now is there was a discussion about moneys being advanced and it being a loan?---Well, it may not have been money, it may have been just assistance with actual, would be his deal on the house.

THE COMMISSIONER: But there was no formal loan agreed.---No, not formal, Commissioner.

30 And there was no formal agreement at all.---That, that's correct, Commissioner, as I have said.

And there was no agreement about a loan.---No. As I said - - -

Is that right? There was no agreement about a - - -?---That's correct. As I said - - -

40 Just let me finish and then you talk. On this matter, there was no agreement reached as to a loan, was there?---That's correct, Commissioner.

All right.---I, I - - -

Just listen to Mr Downing now.

MR DOWNING: I'm going further and suggesting - - -

THE COMMISSIONER: Sorry, you wanted to add something?---There was no formal agreement, Commissioner.

There was no agreement at all, was there?---No. There was no agreement, there was discussions of assistance.

So there was discussion but no agreement. Okay, I understand.

10 MR DOWNING: You can agree or disagree, I am suggesting that there was no discussion, that is up-front with Mr Alexander, about these moneys that he was putting towards the house being any form of loan. Do you agree or disagree?---I disagree.

Right. Because I'm suggesting that what was being done with the money was, it was being paid to you as a form of kickback for the work that it was understood between you and Mr Alexander AA Steel was to get. So there was no intention that it was going to be repaid and no discussion about it being repaid.---I can affirm there was a discussion of, of assistance.

20 And I'm suggesting that it was only after the search warrant was executed that you went and discussed with Mr Alexander, and indeed Ms Alexander or Mrs Alexander, the notion that it should now be described as a loan.---In that respect, yes, you're correct, but there was discussion prior to any works eventuating or taking place.

All right. But in reality you haven't in fact repaid anything?---No.

And also you gave evidence before this Commission in your compulsory examination that all up you thought about \$100,000 had been advanced and you'd repaid \$20,000. Do you recall that evidence?---Yeah, I think so.

30 I'll take you, in fairness, I should take you to it. If we could go, please, to the compulsory examination transcript 642. And can you read, please, from line 6 that starts in "And in respect of Mr Alexander", I want you to read that down to line 40. Please tell me when you've read down to line 40. ---Yes, Counsel.

40 So that evidence about discussion with the Alexanders about \$100,000 all up being owed and you having repaid \$20,000 so that it was then around the seventy-something thousand dollars, that wasn't truthful, was it?---That's correct. That was a discussion where Mrs Alexander told me to say that.

She told you to say that?---Yes.

It's not the case that you told her that she should - - -?---Yes.

Perhaps the transcript should reflect that you've just placed your hand on the Bible.---Yes.

You say that that's her that told you?---Correct.

Not the case that it was you who suggested to Mrs Alexander and Mr Alexander that they should, if they were asked - - -?---No, it was Mrs - - -

Please wait for the question so you know what you're agreeing to. It wasn't the case of you suggesting to them that if they were asked they should say that it was a loan?---No. That, that question you put now, yes, you're correct but when you come down to the figures of what's paid, what's owed, that was told to me by Mrs Alexander.

10

So you say Mrs Alexander told you to say all up it was about \$100,000 that we loaned and you paid \$20,000 back?---Correct.

When in fact it wasn't a loan, correct?---Correct.

And you didn't pay \$20,000 back?---Correct.

You paid nothing back?---Correct.

20

All right, thank you. Now, I've asked you in the course of the questions about the arrangement with the Alexanders, also in passing about Mr Dubois. You did give evidence on the last – sorry, I withdraw that – in your compulsory examination that Mr Dubois, in the course of him saying he would take care of the cost of certain works and materials for your house, reached an agreement with you where it would be a loan and you were to repay it with a 10 per cent margin.---No agreement.

That was never discussed, was it?---No.

30

So that evidence was false?---Correct.

And just in that regard, can I take you, please, to transcript 667? And you'll recall this is what I took you to just before and this is summarising where you give the account of that being the nature of the arrangement reached with Mr Dubois as well as Mr Alexander, that is moneys put towards the house would be repaid with a 10 per cent margin.---Yes, Counsel.

40

All right. Now, if I could take you then, please, in fairness to the same transcript of the compulsory examination, page 832. And if you see line – if I could ask you to read at line 13, you'll see that you did, in answer to a question of the Commissioner, admit in the course of your compulsory examination, that is later in it, that there in fact had been no loan from Mr Dubois.---Where are we reading, sorry, Counsel?

Sorry, so line, we'll start from, perhaps just to put it in context, start at the top of the page, so line 3, where the Commissioner asks, "Can I ask you this, are you fearful of Mr Dubois in some way?" Read from there down to line 13.---Yes, Counsel.

So you did make that concession later in your compulsory examination, having lied about it earlier, that it in fact there had been no loan.---Yes, correct.

But can I ask you then just to clarify for us, what do you say was the nature of the initial discussion you had with Mr Dubois? Do you say there was some discussion where he indicated he would take care of things?---That he could get it at a, at a better rate than I would ever get it at.

10

Right. But - - -?---Trades, materials.

But you've given evidence about this, it went beyond just a better rate in that he never ever sent you a bill and you knew that - - -?---No. That's correct,

- - - you weren't having to pay for any of it?---That's correct,

20

And you came to learn, through Mr Dubois, and also contractors, that in fact they were meeting the cost?---Correct.

So if I could take you in your transcript of the compulsory examination to page 839 and can I ask you read from line 32, which starts "And do you recall that in the course of some questions" to the bottom of the page.---Yes, Counsel.

30

And if we could go to 840, and you'll see the first two lines, if you just read those that start, "And you conceded late in your evidence on 11 September there was no loan" and you said, "Yes, Counsel".---Yes, Counsel.

And now if you go down, please, to page 840, line 39 and just read that question and answer, please?---Line – sorry. Which line, Counsel?

Line 839. Starts "Now just dealing" just that question and answer, so for those three lines.---Yes, Counsel.

40

And can I then get you please to go over the page to 841 and if you could read, please, the last question and answer at line 41 to the bottom of the page? It starts "Right, well".---Yes, Counsel.

Was that account about the initial discussions with Mr Dubois where he initially said he would take care of it, was that truthful?---Yes.

Was the discussion about him later saying "don't worry about it" truthful?---Yes.

But the evidence you gave about him agreeing that it was to be repaid and repaid with a 10 per cent margin, that wasn't truthful?---No.

All right. Thank you.---There was discussion initially, as I said, and it was, like, okay, don't worry about it.

But it became evident to you fairly quickly that there'd been no bills presented to you - - -?---No. No bills.

10 All right. And, finally, and this is related to that topic, you gave some evidence on the last – I withdraw that – in your compulsory examination that Mr Dubois maintained a little book with details of the cost of works and materials that he'd organised - - -?---Yes.

- - - and that he would show it to you from time to time and check your agreement to repay those sums.---Yes.

Was that truthful?---Yes, he did have a book.

20 So, just in that regard, if we could go, please, to compulsory examination transcript 626. So if you could read, please, 626 lining at, sorry, starting at page, sorry, line 36. It starts “As I understand it, you considered” and that's the Commissioner asking a question.---Yes.

So read that to the bottom of the page.---Yes, Counsel.

Okay. Go to the next page, please, and if you read that down to line 18. It ends with “obviously he'd get more” so just read down to there.---Yes, Counsel.

30 So do you say that the evidence that you gave there about the book and it being a record of the costings that would be shown to you so you could indicate your agreement, you say that's truthful?---Yes.

But the evidence you gave as part of that same account about there being an agreement that the money's to be repaid on completion of the house with the margin of 10 per cent or a bit more if it sold for more, that wasn't truthful? ---That's right.

40 All right. Thank you, Commissioner. They're the areas that I wanted to ask Mr Steyn about. I can indicate that as far as we are aware, there's no application to cross-examine him.

THE COMMISSIONER: Yes, I understand that to be the case. And then Mr Steyn can be excused from his summons?

MR DOWNING: Perhaps just for abundant caution, probably not.

THE COMMISSIONER: No? We'll defer that for a time.

MR DOWNING: Excuse me. I expect that that will be the end of his evidence but - - -

THE COMMISSIONER: Very well.

MR DOWNING: - - - given that there is some further evidence to come, I would just prefer that we not excuse him at this stage, Commissioner.

10 THE COMMISSIONER: Mr Steyn, that completes the examination today and your evidence. Whilst it may not be necessary for you to re-attend again, I won't discharge you from your summons today but I anticipate that in the near future, you will receive advice from the Commission as to whether or not your summons has been discharged. You understand what I'm saying?---Yes, Commissioner.

You're free to go today.---Thank you.

Thank you for your attendance.

20

**THE WITNESS WITHDREW [12.40pm]**

THE COMMISSIONER: Nothing else, Mr Downing?

MR DOWNING: No, Commissioner.

30 THE COMMISSIONER: Very good. Very well. Thank you. Yes, I'll adjourn. Sorry, Mr Sandilands, I didn't, I meant, intended to make - - -

MR SANDILANDS: Thank you, Your Honour. There's nothing I wanted to ask, Your Honour.

THE COMMISSIONER: - - - sure that there was nothing you wanted - - -

MR SANDILANDS: Nothing at all. Thank you, Your Honour.

THE COMMISSIONER: Good. Thank you.

40

**AT 12.40PM THE MATTER WAS ADJOURNED ACCORDINGLY [12.40pm]**