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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE PETER M. HALL QC
CHIEF COMMISSIONER

PUBLIC HEARING

OPERATION PARAGON

Reference: Operation E18/0736

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON THURSDAY 13 MAY, 2021

AT 10.00AM

Any person who publishes any part of this transcript in any way and to any person contrary to a Commission direction against publication commits an offence against section 112(2) of the Independent Commission Against Corruption Act 1988.

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

THE COMMISSIONER: Yes.

MR DOWNING: Thank you, Commissioner. Just before we resume Mr Steyn's evidence, can I just add some material to the tender, if that's convenient?

THE COMMISSIONER: Yes, thank you. Yeah, proceed.

10 MR DOWNING: I hope that an updated list of tender materials has been provided to you.

THE COMMISSIONER: It has, yes.

MR DOWNING: And on the last page of it, now what I'm seeking to add is volume - - -

THE COMMISSIONER: Sorry. Do you have a further copy there? Just - - -

20 MR DOWNING: I do.

THE COMMISSIONER: Thank you. I just left mine in chambers. If that could be handed up, thank you.

MR DOWNING: I can provide you with mine.

THE COMMISSIONER: Perhaps my associate could hand – thank you. Thank you very much.

30 MR DOWNING: Unfortunately the date hasn't been updated on it, but it's just to the last page.

THE COMMISSIONER: Yes. Oh, yeah. Oh, I'm sorry, I do have it here. You go. You've got a copy?

MR DOWNING: I do, Commissioner, yes.

THE COMMISSIONER: Right, okay.

40 MR DOWNING: So it's volumes 11.4, 11.5, 13.1 and 13.2.

THE COMMISSIONER: Yes. Very well. You're tendering those?

MR DOWNING: I am.

THE COMMISSIONER: The volumes 11.4, 11.5, 13.1 and 13.2 will be admitted and they respectively will become Exhibits 104, 105, 106 and 107.

#EXH-104 – VOLUME 11.4 AA STEEL CONTRACTS

#EXH-105 – VOLUME 11.5 CASH WITHDRAWALS ALEXANDER

#EXH-106 – VOLUME 13.1 RAHME – LANCOMM PART 1

#EXH-107 – VOLUME 13.2 RAHME - LANCOMM PART 2

10

MR DOWNING: Thank you, Commissioner.

THE COMMISSIONER: Ready to proceed with Mr Steyn?

MR DOWNING: Yes, I am.

THE COMMISSIONER: Thank you, Mr Steen – sorry – Mr Steyn, I should say. Mr Steyn, if you just stand there and I'll administer the affirmation for today's proceedings.

THE COMMISSIONER: Thank you, Mr Steyn. Yes, Mr Downing.

MR DOWNING: Mr Steyn, do you recall that yesterday I asked you some questions about the moneys that you borrowed for the purposes of the works that were done at your [REDACTED] house in 2013 to 2015?---Yes.

10 And in the course of that, I took you through the works that were done in respect of the pool and the pool house, if I describe it that way?---Yes.

And then the main house.---Yes.

And in the course of your evidence you indicated that, I think, your estimate was something in the order of \$15,000 for the initial works for the pool and pool house and something in the order of \$400,000 for the works to the house, and I took you to some documents in respect of that.---Yes, yes.

20 You also, in the course of the evidence, indicated yesterday that you believe that what you actually borrowed at the time was \$150,000?---Yes.

And just on that point, if I could ask that you have a look at a document that'll be brought up on the screen in front of you in a moment. And you will recognise that it's a letter from the Commonwealth Bank to you and your wife, Aleesha. Whilst it doesn't have a date on it, it does indicate that, on 5 March, 2015, there's credit that the bank is offering to you.---Yes.

30 And you'll see that what it indicates is that it's increasing an amount of credit on an existing facility.---Yes.

And what it shows, that it's secured against the property?---Yes.

And that what it's doing is increasing the amount of credit so that it's now increasing by \$150,000.---Yes.

And you'll see that it refers to, then the total amount of credit after \$150,000 was added was \$546,507.---Yes.

40 And down below, you'll see that there's a brief description there on the document from the CBA in terms of the purpose for seeking credit.---Yes.

And it does seem, you'll see there's a number. So it looks like it may have been something that's picked from a drop-down menu rather than a detailed description, but do you see it says, "Other, swimming pool, furniture, computers et cetera"?---Yes.

And looking at that date and that amount, does that reflect what you recall as being the increase that you sought from the bank at the time?---Quite possibly.

But the sum is consistent with what you recall that you borrowed?---Yes.

Commissioner, this was a document that was previously referred to in the course of the compulsory examination. We will add it to the tender in due course.

10

THE COMMISSIONER: Yes, very well.

MR DOWNING: Well, if it's convenient, I can deal with it now.

THE COMMISSIONER: All right. We'll, tender it.

MR DOWNING: Thank you.

20 THE COMMISSIONER: The document, the letter offering credit from the Commonwealth Bank – sorry. Back on the screen, please – referring to an offer of credit of 5 March, 2015, to Mr and Mrs Steyn, increasing credit to \$150,000 will be admitted and it will become Exhibit 108.

#EXH-108 – LETTER FROM CBA TO ALEESHA STEYN AND CRAIG STEYN RE INCREASE TO HOME LOAN \$150000

30 MR DOWNING: Thank you. If I can then move on from that, Mr Steyn. You will recall that yesterday I asked you some questions about various aspects of the work and who paid for them?---Yes.

And I took you to some documents in respect of that.---Yes.

For instance, showing you that, in respect of items like bricks or tiles, there were different people that were paying for aspects of the work?---Correct, correct.

40 Can I now ask if you can recall that part of the work that you did as part of the work on the house was some pebblecreting?---Yes.

And do you recall who did the pebblecreting?---I think Sydney Pebble Company I think.

Can I show you – well, before I show you a document, can you recall how it was you located or identified the person that did the pebblecreting work?
---I, I believe I observed them doing some work somewhere and I asked for a card.

THE COMMISSIONER: Now, Mr Steyn, you recall me directing you to keep your voice up.---Yes, Commissioner.

So that everyone in the hearing room can hear you.---Yes, Commissioner.

There are microphones but you still need to keep your voice up. I don't want to have to keep reminding you. Please talk in a voice that is audible. ---Yes, Commissioner.

10

Thank you. Yes.

MR DOWNING: Thank you, Commissioner. Before I show you the document again, do you recall that the works that were done as far as the pebblecreting was concerned, was that after a large part of the construction of the house had occurred?---That's correct.

Now, first of all I'll ask that a document be shown, and it's volume 10.3, page 202. So do you recognise that this is a quote dated 2 November, 2017
20 – I withdraw that – an invoice dated 2 November, 2017 addressed to you?
---Yes.

And it's from the Sydney Pebble Company.---Yes.

And you'll see that down below that it's signed by Mr Antoine Fedele.
---Yes.

Does that assist your recall as to who it was that did the work?---Yes.

30 And the invoice is addressed to you. Your evidence is, from what I understand, that you observed this person doing some work and got the card and then, is it, asked them to come and quote for you?---Correct.

And you'll see that this invoice comes with a breakdown as to exactly what's involved, but it involves the front verandah and steps an amount of \$3,927.60.---Yes.

40 And then if we could go, please, to the next page. You'll see it's another invoice dated the same date, 2 November, 2017, but this time it shows a contract price of \$53,883.50.---Yes.

And also shows that a certain amount had been received \$37,000.---Yes.

So a balance of 16,883.50.---Yes.

Looking at those two invoices do you recall that with respect to the pebblecreting that there was an original contract price of \$53,883.50 and

then perhaps some variations or a small overrun in the amount of about \$4,000?---Yes.

And I take it after you spoke to Mr Fedele you asked for the invoices to be provided to you.---Yes, I think so.

Do you recall who ultimately paid for this work?---It went to Mr Dubois.

10 Right well, did you find out though who was paying for it?---I think it was Mr Baz.

And how did you learn that?---Because when I spoke to Mr Dubois he said Mr Baz will take care of it.

And so is this the case, you get the invoices, you give them to Mr Dubois? ---Dubois.

20 And do you have a discussion then about who would ultimately be paying? ---I think it was after that.

In any event, by 2017 you were well familiar with Mr Hadid.---Yes.

Indeed he'd done work on a number of RMS contracts where you'd been involved.---Yes.

Is it the case that when you – I withdraw that. You say you learnt perhaps shortly afterwards that it was going to be Baz, Mr Hadid, that was paying the bill?---I think shortly after I gave the quote to Mr Dubois.

30 And did you speak to Mr Hadid about it?---I think so.

I take it that your assumption was that, where Mr Hadid was paying for the cost – close to \$60,000 all up – for the pebblecreting on your house, that that was something that he would then make up through work that was going to be billed to the RMS?---Quite possibly.

Well, you didn't think he was going to pay for it out of the goodness of his heart, did you?---No, I didn't.

40 THE COMMISSIONER: You knew by this time there was a system that was regularly being used to add to the invoice an amount which would cover that extra margin. It was a system, wasn't it? It occurred over and over again.---I wouldn't say I was aware of a system, Commissioner. I'm aware Mr Dubois had a relationship. I don't know the extent of the system, but from a high-level view, yes.

In other words you knew how Mr Dubois was operating in this respect, that's what I'm putting to you, that he had a system that he would go to the

contractor and ensure that the contractor would include a margin which would cover an item such as the one we're talking about here in relation to the invoice of Sydney Pebble Co.---Might very well have.

And that would be consistent with what you knew was his modus operandi?
---Yeah okay.

MR DOWNING: Do you recall telling Mr Fedele that the money would ultimately be coming not from you, but from Mr Hadid?---I might have.

10

In the sense so that – I withdraw that. So that he would understand that when the bills were rendered, that that's where the money would be coming from.---I think so.

And do you recall that in respect of the pebblecreting that after the bills were provided to you, that you had some contact from Mr Fedele about chasing payment?---I believe so.

20 Can you go, please, same volume – well, I withdraw that. It's the case, isn't it, that you had Mr Fedele's mobile number?---I believe so.

We can go back, but it's on the Sydney Pebblecrete invoices, and I take it you put it into your phone?---Yes, I would have.

And you had from time to time communicated with him by text. Correct?
---Yes, I would believe so.

30 About things like organising for deliveries or when he was going to be doing work.---Might very well be.

Can I ask you to have a look, please, at page 212 of the same volume, and do you recognise that as a text – it's a screenshot you'll see – but do you recognise that as a text exchange between Mr Fedele and you in respect of the payment of these bills?---Yes, Counsel.

And just so that you're aware of the provenance of it, can I ask that you please go to page 205. You'll see there that there are dates that show the relevant dates of the exchanges.---Yes, Counsel.

40 So do you see that on 6 November, 2017, it seems at 5.14 the text from Mr Fedele comes to you, so asking you, "Hi, Craig. It's Antoine from Sydney Pebble. Sorry to bother you, mate, can you please ask Baz if he can pay does," – looks like a typo – "does invoices urgently, please. Thanks, mate."
---Yes.

And it would seem that on the same day at 5.15, so a minute later, you respond, "No problem, Antoine. I'll call him now."---Correct.

And did you in fact chase, call Mr Hadid?---I don't know if I called, I might have messaged, I'm not sure.

Do you recall though that you learnt at some point not long afterwards that the bills had been paid by Mr Hadid?---Yes.

Now, it's the case, isn't it, that here it's evident from the text from Mr Fedele that he was aware that Baz was to pay.---I believe so.

10 And do you believe that was based on a discussion you'd had with him?
---Might be, I can't recall that far back.

So it's the case that whatever the first step was, you say it was involving you speaking to Mr Dubois - - -?---Correct.

- - - ultimately you were dealing directly with Mr Hadid about the payment of these invoices.---I believe you have the evidence that Mr Hadid said to advise Mr Dubois first.

20 THE COMMISSIONER: Well, you were being asked to chase up the money at Mr Hadid's request, is that right?---Mr Fedele's.

Sorry?---Mr Fedele, Fedele is his name.

Mr Fedele, is it?---Yeah, I think, I'm pretty sure.

So he was the one who was emailing you, he's Antoine, isn't he?---Yes, yes, Commissioner.

30 He's Antoine?---Yes, Commissioner.

And he was asking you to chase up payment.---Correct, Commissioner.

So he's asking you to intervene or to assist, by contacting Mr Hadid, in effect.---That's correct. Mr Hadid, yes.

Because he's the source of the money.---Yes, Commissioner.

40 And did you speak to Mr Hadid about it?---I believe I, I actually, I might have forwarded the message onto him.

Right. In any event, did he indicate to you, or did you become aware of the fact that money was paid by Mr Hadid?---Yes, Commissioner. But as I said, his advice was to go through Mr Dubois, and Mr Dubois to endorse it.

I see. All right.

MR DOWNING: Sorry, whose advice was to go through Mr Dubois?---Mr Hadid.

Are you sure that it wasn't the case that with many of the items where Mr Dubois' contractors were ultimately paying that you weren't dealing directly with the contractors about it?---We might have had conversation, Counsel, but everything had to go at Mr Dubois' endorsement.

10 When you say with his endorsement, that you would, before passing a bill to anyone else, you would speak to him?---It would go to Mr Dubois.

And you say he would tell you that he would take care of it?---Correct.

And you would then, I take it, typically enquire about who was going to pay?---He would tell me who was, who I had to send it to or give it to him.

And you would then in due course speak to those people, because you were dealing with them in respect of RMS jobs.---Yes.

20 So I take it at times you would raise with, whether it was Mr Hadid or Mr Chahine, the fact that they were paying bills.---Raise with them, in what context, sorry, Counsel ?

Well, perhaps speak to them and ask them, had they received a bill or had they paid a bill. Just so that you knew they were being paid.---I'd have to say yes, probably.

30 All right, and was that sometimes at your house when they were there?---I wouldn't be able to say at my house or whether it was onsite, or - - -

Do you recall that – I think you've confirmed that you would see them from time to time on RMS worksites, when there were jobs that you were involved in and that they were working on.---Yes.

From time to time, you would have spoken to them, wouldn't you, just to check that bills that you understood from Mr Dubois were to be paid by them had been received and paid?---Most times Mr Dubois would advise me that's all been sorted.

40 Now, it's the case, isn't it, that you came and gave – you've been present at the Commission previously to give evidence as part of what's known as a compulsory examination?---Yes, Counsel.

And it's the case, isn't it, that in respect of a number of important aspects of what I've been asking you about yesterday and today, the evidence you gave on the last occasion was a lie?---Sorry?

Well, you gave a version of events when you came and gave evidence at the compulsory examination.---Ah hmm.

Correct?---Yes.

And what I'm suggesting to you is that when it came to a number of important details, and I'll go to specifics, but important details as to the matters that I've asked you about yesterday and today, the evidence you gave on the last occasion was not truthful.---Possibly.

10

All right. Well, do you recall - - -

THE COMMISSIONER: Can I ask you, Mr Downing, are the transcripts of these compulsory conferences on the restricted website?

MR DOWNING: Not as yet, and I can come back to them, but they will be made available, Commissioner.

20 THE COMMISSIONER: Has the section 112 direction been varied, do you know?

MR DOWNING: Not yet, and I will need to seek a variation on it.

THE COMMISSIONER: Well, you probably need it now, don't you?

MR DOWNING: I do, and I'll - - -

THE COMMISSIONER: All right, could you just give me the dates?

30 MR DOWNING: Yes, Commissioner.

MR CLARK: Commissioner, my name's Clark. I'm Mr Steyn's representative.

THE COMMISSIONER: Yes, Mr Clark.

40 MR CLARK: I'm just wondering, could I possibly just request a very short adjournment? I just need to speak to my client in relation to the questions that are now going to be asked of him, in relation to the fact that I need to just give him the appropriate warnings in relation to what he's about to say, and I just want to make sure that he's fully aware of what his obligations are, so there is no confusion.

THE COMMISSIONER: Well, the evidence he's giving – and I will make it clear on the record, and perhaps I should have done it first thing – that declaration I made yesterday continues to apply to today's evidence that he gives, and indeed beyond today. Does that not provide you with the protection that the evidence can't be used against him? However, there is

the exception, of course, as I explained to your client, that a direction under section 112 does not prevent the evidence from being used in prosecution, if there was one, in terms of false evidence.

MR CLARK: Certainly. And that's what I just wanted to be very clear with him, that he had that proper understanding of that Commissioner. So, just for those purposes I will just, can I ask for a very short break? I don't intend to, I don't wish to interrupt my friend's line of questioning or interfere in any way, shape or cause, but I'd just like to make Mr Steyn fully
10 aware of what his obligations are.

MR DOWNING: I don't have any difficulty with it, Commissioner.

THE COMMISSIONER: No. All right.

MR DOWNING: Well, perhaps can I first of all just give you the dates of the evidence that was given?

THE COMMISSIONER: Yes please.
20

MR DOWNING: Thank you, Commissioner. The dates were 9 September, 2020, 10 September, 2020 - - -

THE COMMISSIONER: So the first one is 9 September, '20?

MR DOWNING: 9 September.

THE COMMISSIONER: And?

MR DOWNING: 10 September, 11 September and 12 September,
30 Commissioner.

THE COMMISSIONER: Now, do you require a variation for the transcripts of each of those days?

MR DOWNING: It's likely I will need to ask questions that relate to parts of – perhaps not the last day but probably all of them, and I think for abundant caution it would be better if it was over all of them,
40 Commissioner.

THE COMMISSIONER: All right. Well, I'll deal with that when we resume. And, Mr Clark, if I adjourn for about 10 minutes is that sufficient for your purposes?

MR CLARK: More than sufficient, thank you.

THE COMMISSIONER: Yes, all right. I'll do that, I'll adjourn for 10 minutes.

THE COMMISSIONER: Yes. Now, Mr Downing, in relation to the compulsory examination transcripts you've identified, I propose to make a variation order. Nothing else you want to say about that?

10 MR DOWNING: No, Commissioner.

THE COMMISSIONER: In respect of the transcript of the evidence of Mr Steyn given in compulsory examinations on 9 September, 10 September, 11 September, 12 October, 2020, being satisfied that it is in the public interest to do so, I vary the directions given under section 112 of the Independent Commission Against Corruption Act on each of those dates concerning Mr Steyn's evidence so as to permit the transcripts of evidence of those, of the witness on those dates to be made available firstly by way of upload to the restricted website for Operation Paragon for the purposes of examination by
20 Counsel Assisting and for purposes of cross-examination to the parties with leave to appear and be represented in the public inquiry, but not otherwise publish or communicate the evidence.

**VARIATION OF SUPPRESSION ORDER: IN RESPECT OF THE TRANSCRIPT OF THE EVIDENCE OF MR STEYN GIVEN IN COMPULSORY EXAMINATIONS ON 9 SEPTEMBER, 10 SEPTEMBER, 11 SEPTEMBER, 12 OCTOBER, 2020, BEING SATISFIED THAT IT IS IN THE PUBLIC INTEREST TO DO SO, I
30 VARY THE DIRECTIONS GIVEN UNDER SECTION 112 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT ON EACH OF THOSE DATES CONCERNING MR STEYN'S EVIDENCE SO AS TO PERMIT THE TRANSCRIPTS OF EVIDENCE OF THOSE, OF THE WITNESS ON THOSE DATES TO BE MADE AVAILABLE FIRSTLY BY WAY OF UPLOAD TO THE RESTRICTED WEBSITE FOR OPERATION PARAGON FOR THE PURPOSES OF EXAMINATION BY COUNSEL ASSISTING AND FOR PURPOSES OF CROSS-EXAMINATION TO THE PARTIES WITH LEAVE TO APPEAR AND BE REPRESENTED IN THE
40 PUBLIC INQUIRY, BUT NOT OTHERWISE PUBLISH OR COMMUNICATE THE EVIDENCE.**

THE COMMISSIONER: Mr Downing.

MR DOWNING: Thank you. Now, Mr Steyn, I will take you to topics and then to specifics of the evidence you gave, but do you recall when you gave evidence in compulsory examination one of the matters I asked you about

was whether you had ever received payments, that is money, either cash or fund transfers from contractors. Do you recall I asked you about that?
---Yes.

And you denied it, didn't you?---Yes. I had – my examination, compulsory examination, was misleading in relation to out of fear. These, the individuals, as you can see, are not family-friendly people, they know where I live, they know my kids, they – so it was my fear.

10 So - - -?---These - - -

Sorry, please continue. I don't - - -?---There's people incarcerated for weapons and that, and there's people with surnames there which are known to be involved in violent crimes, so - - -

So is this what you say, that in some respects the evidence you gave during the compulsory examination was not truthful?---Yes, I would say.

20 We'll come to specifics, but you acknowledge that in some respects it was not truthful.---Yes.

But you say the reason it was not truthful was because of a sense of fear you had.---Yes, very much so.

Was that fear based on any threat that had been made to you?---Not directly to me.

30 Do you say that is it being conveyed indirectly or had been intimidated to you in some way?---Back, shall we say, before the ICAC search warrants, I was told that I must mind my own business and - - -

THE COMMISSIONER: Sorry, I can't hear you. What was your last answer?---Before the ICAC raids I was told that I should mind my own business, because people get hurt in this. So - - -

MR DOWNING: Sorry, I didn't hear the last part. Because people?
---Because people get hurt.

40 And who said that to you?---Mr Dubois.

So this is before ICAC had executed search warrants on you?---Yes.

In the course of you – well, can you tell me how that discussion came up?
---It was just, we were having a, a, a bit of argument over - - -

Try and put a time frame on this. You know – well, I can assist you that the search warrants were executed - - -?---It would have been about May, April/May.

Of which year?---2019, I think. We were discussing some works on the M4.

THE COMMISSIONER: Where did this conversation take place?

---Downstairs at the office.

At which office?---Octagon.

10 Sorry?---Octagon.

Of?---Octagon.

MR DOWNING: The Octagon is the office building, I think, that Mr Dubois and Mr Steyn worked at in Parramatta.---Yes.

THE COMMISSIONER: I see, yes. And you were there discussing business matters with him, were you?---Yes. About some works on the M4, which I was going to get some internal resources to do.

20

And you said there was some dispute about the matter, is that right?---Yes, yes.

And in giving evidence of a conversation, you're required to try and give as accurate of an account as possible.---Yes.

What words did Mr Dubois say to you on that occasion about the matter you've just previously raised?---Me - - -

30 What did he say? He said what?---I can't recall exactly, Commissioner, but the argument started in the office and went downstairs because he said, "Let's go downstairs and chat about this." And we went downstairs and I believe the work was along the M4, to do some work there and I said, "Look, I'll get internal resources to do it." And he goes, "Well, well, I'll take care of it."

40 He said what?---He'll take care of the work. I, I said, "Well, it needs to be done ASAP," and he was, "I'll do it in my own time." And then there was a bit of, "This is bullshit," conversation between us and he just said, "Look, leave it alone because people get hurt in these things."

He said what? "Leave it alone" - - -?---"Leave it alone because people get hurt in these things."

Sorry, the last words?---"People get hurt in these things."

Leave it alone or he will get hurt, is it?---People get hurt.

People get hurt. I see.---And I walked off.

So, in effect, are you saying that he was saying to you about this dispute to leave it alone? Is that what, he was referring to the dispute when he said, “Leave it alone” or “Leave it to me”?---Could have been. He just said, “Leave it alone,” and I just walked off.

10 MR DOWNING: In the course of that discussion that you’ve described, you’ve indicated you were talking about resources to do particular work?
---Yes.

Was there any discussion then about the, if I can put it this way, the returns or the moneys that contractors were paying to either you or Mr Dubois?
---No.

So it was literally just about resourcing for the job?---Yes, it was, that’s right.

20 But you say that it was based on that discussion that you developed a fear around revealing the true nature of your conduct at the RTA and RMS?
---Yes.

So, when it came to questions about whether you had received payments, either cash or EFT payments from contractors doing RTA and RMS work, the evidence you gave on that last occasion was untruthful?---I believe so. Yes, sir.

30 And you recall that I also asked you some questions about the – I’ll break it down – first of all, the moneys that the Alexanders and AA Steel had paid either to you or on your behalf?---Yes.

Do you recall that the account that you gave during the compulsory examination was that that was an arrangement where it was in the nature of a loan?---Yes.

And do you recall that the evidence you gave was that you, in about 2012 or ‘13, you spoke to Ashley Alexander and indicated you needed to knock down and rebuild the house?---Yes.

40 And you indicated to him that you were going to borrow money?---Yes.

And you said during the compulsory examination that Ashley had said to you that instead of borrowing and paying interest on the money, he would help you by putting money in and that when you finished you could repay him.---Yes.

Now, that account wasn’t truthful, was it?---No, Counsel.

There was no discussion before the works were done of that nature?---No, Counsel. Mr Alexander would continue to lobby me for work and he did say, "I will help you out." He didn't say, "I will loan it to you." He said, "I will help you out with the, the rebuilding of the house."

10 But the account you gave of him suggesting that he would help you and that money would be repaid afterwards, there was no discussion of that nature? ---No. It was, as I said, he, he continued lobbied me and publicly shaming me, saying to people in, in public, "What type of family is this? They won't even help me out with some work."

I understand that's what you're saying as to how Mr Alexander conducted himself, but just focusing on what I'm asking you about. There was no discussion about the moneys that the Alexanders or AA Steel were putting in, being in the nature of a loan that was to be repaid until after the search warrants were executed. That's correct, isn't it?---As I said, no.

Sorry, you're agreeing with me?---Yes.

20 Can I ask then, in respect of that topic, do you – I withdraw that. You tell us that the reason that you told evidence on the last occasion, that is in the compulsory examination, that wasn't truthful, was because of a fear that had arisen in you based on what Mr Dubois said to you?---Yes.

That had nothing to do with Mr Alexander though, did it?---No.

30 So, can I ask what was the reason for not telling the truth about that arrangement when it came to giving your evidence in the compulsory examination?---At the time I felt an obligation to kind of protect Mr Alexander because he's always been there to assist me.

Weren't you also protecting yourself?---You could say that.

Well, you didn't want to acknowledge that you had engaged in a wrongdoing when you gave your evidence at the compulsory examination, correct?---No.

40 THE COMMISSIONER: You're agreeing with Counsel, are you?---That's correct, Commissioner.

MR DOWNING: Now, also, separate to the evidence you gave on that occasion about the Alexanders and the moneys that they had put in, you also answered a number of questions about speaking to Mr Dubois and him arranging for words to be taken care of in respect of your house?---Yes.

And you recall I asked you questions about the way in which contractors from the RMS ultimately came to pay for works in respect of either of the pool or pool building or the main house?---Yes.

And do you recall the account you gave on the last occasion was that you spoke to Mr Dubois about it and he indicated he would take care of it?
---Yes.

You also indicated that you had a discussion with him where he said words to the effect of that when the work was all done that you could repay it?
---Yes.

10 And that you also gave evidence that it would be repaid on the basis that, as well as paying back whatever moneys Mr Dubois had put in, that you would provide a margin of perhaps 10 per cent, once the property was sold.
---Correct, correct.

Now, that evidence wasn't truthful, was it?---That was initial discussions Mr, sorry, Counsel. Initial discussions between Mr Dubois and I. And then that faded by the way.

20 So do you say there were discussions about that?---There were discussions with Mr Dubois initially.

Right. So you maintain that evidence is truthful?---There was discussions with Mr Dubois, initially.

You also gave evidence on the last occasion, that is, the compulsory examination, that Mr Dubois kept a little booklet with a record of the amount that he was owed.---Yes.

30 Do you recall giving that?---Yes.

And you said that he'd show you that booklet from time to time, so that you could check that you agreed with the figures.---Yes, he'd show me what some costs were.

And you indicated that the arrangement was in the nature of a gentlemen's agreement, where it was agreed that you were to repay the money to Mr Dubois, to reflect the money that was recorded in the notebook, at the time the property was sold.---Yes.

40 Was that evidence about the record of things in a notebook truthful?---Yes.

So he did show you that, you say?---He had a binder book.

All right. Now finally, you gave evidence on the last occasion that in respect of the Alexanders that you believed that all up with the money that they had put in that there was about \$100,000 owing to them, and that you'd paid back about \$20,000.---Yes.

That wasn't truthful, was it?---No.

Thank you, Mr Dubois, sorry, I withdraw that, Mr Steyn. Commissioner, I'll move to a different topic. Can we move, please, to AA Steel, and the arrangement you had whereby you did work or you allocated work to AA Steel and then ultimately either AA Steel or the Alexanders made payments to you, I want to ask you specifically about that now.---Sure.

10 It's correct, isn't it, that the work that AA Steel did for the RTA and RMS through you started in 2009, not long after you began work?---I wouldn't give, be able to give exact, but may have.

Well, I'm going to suggest that it continued over the period from mid-2009 right through until early 2019.---Yes.

You recall, don't you, that it was really through the entire period of your work at the RTA and RMS - - -?---Yes.

20 - - - that there was work that was being allocated by you to AA Steel?
---Yes, Counsel.

And do you recall this, that initially they were smaller jobs?---May have very well been, yes.

Over time, do you agree that they became bigger, and they were awarded more frequently?---Yes.

30 And I want you to just – I withdraw that. Pausing there, do you recall that the initial jobs were typically less than \$10,000?---Don't recall the jobs exactly, but may have.

I'll come to specifics of jobs, but they were steel fabrication works that were related to the programs you were responsible for.---Without seeing specifics, I can't say exactly, because they did a variety of services.

Well, later they did other things as well, didn't they? They did more general works.---Yes, once we trained them up, yes.

40 And, sorry, you say you trained them up?---Yes.

And who trained them in respect of works for the RTA and RMS?---I did.

And how did that training – or, sorry, what did the training consist of?
---Was onsite demonstration of the works to be done.

What sort of works did you demonstrate and train them in?---Well, some of it was to do with the line-markings, areas that needed to be maintained clean, like the TIRTLS and that.

All right, so that is line-markings on roads?---Yes.

And cleaning up vegetation and things.---Around TIRTLs, just around the TIRTLs.

Can I ask why it was that you were training them in order to perform that work?---Because there was no resources to do it.

10 Was part of the motivation in trying to – I withdraw that. Let me go back a step. AA Steel was a steel fabrication business.---Maintenance, steel fabrication, piping and maintenance.

But of steel.---Of various services.

Well, it's the case, isn't it, that prior to you training them up that AA Steel didn't do vegetation clean-up type work?---No.

20 And didn't do line-markings on roads.---No.

Was your motivation in training to do that work so that they could be given a broader spread of work?---They generally are a labour hire company in the steel industry.

Sorry, they are, AA Steel or some - - -?---AA Steel. AA Steel is like a labour hire, they, they outsource labour.

30 Wasn't it the case that the work they did and that they had expertise in was steel fabrication?---Yeah, among other things.

Do you say that when they started doing work for the RTA in 2009 they were experienced in vegetation clean-up or line-marking?---No. As I said, we taught them how to do it because our internal resources had become redundant.

40 Well, your internal resources had become redundant some years – I withdraw that. It's only the case, isn't it, that they did that type of work, line-marking or vegetation clean-up fairly late in the piece when it came to their period of work?---I believe CBF was doing the work initially and was, they had too much work on.

Would you accept that a part of your interest in having them do that type of work as opposed to steel fabrication work was that it made it easier for you to allocate work to them from which you could a return?---Yes.

So that in a sense it broadened the range of work that they could be given contracts in respect of.---Yes.

And in respect of which you could then get a return on.---Okay. Yes.

Thinking then about the early period of the work, are you able to recall whether or when it was that you first asked for something in return from either Ashley or Sandy Alexander?---I think the time I asked Ashley for help was when I was doing the steel beam, I think.

So that's to do with your house.---Yes.

- 10 If you accept from me that the records from the RTA and RMS show that AA Steel is doing work from mid-2009 - - -?---Yes.

- - - it's correct, isn't it, that the works in respect of your house starting with the pool and the pool building seem to be commencing in about 2013?---I think so.

And then they continue for some years involving the two-storey house.---Yes.

- 20 Indeed there's works being done right through 2018 into the beginning of 2019 to finish things off.---It might very well be.

Is your best recollection that it wasn't until you started to have costs associated with the house that you began to ask for the Alexanders to pay for things?---I think so, Counsel.

So that would put it, as best you can recall, at about 2013.---It may well be.

- 30 And do you recall what the early requests were, were they for cash or were they for them to meet the cost of certain bills or for them to perform work?---I think it was the work that he did.

That's the steel beam.---Steel beam, steel beams.

Was that for the main house or - - -?---Yes.

- - - for the pool building?---I think the main house.

- 40 Could it be that you had in fact asked them to meet the cost of things before then?---I think he assisted with the roofing on the pool house I think.

Had you asked them to either provide cash or to meet the costs related to the pool or pool building as well?---No, I don't believe I asked for any cash from them.

You don't?---No.

You were present I think in the Commission when Mrs Alexander gave her evidence.---Yes.

And you'll recall that she gave some evidence about spreadsheets that she said that you had prepared and sent.---Yes.

And you'll recall that there is one spreadsheet that she sent to you attached to an 18 December, 2018 email.---Yes.

10 But do you recall she also gave some evidence about spreadsheets she prepared for the business from month-to-month?---Yes.

And that there was a document which she identified as part of a spreadsheet that was saved as part of one of those documents from 2013?---Okay.

Do you, as best you can recall, do you recall that you were preparing a spreadsheet to log moneys owing to you and moneys that were being expended in your favour as far back as 2013?---I can't confidently say yes.

20 Can I ask that in front of you – or if we open on the screen, please, volume 11.2 at page 41. Now, this is the page that's saved, according to Ms Alexander, as part of a spreadsheet that was found on a computer located at her premises, that is her home - - -?---Yes.

- - - when the search warrant was executed in 2020, but do you recognise the look and format of that document?---Probably was Mrs Alexander's spreadsheet.

30 Now, can I ask, thinking about the spreadsheets that you prepared, what's your recollection as to how they were set up?---Sorry, can you just - - -

You acknowledge that you prepared from time to time spreadsheets that you sent to the Alexanders in respect of the work that AA Steel was doing and the moneys that you were owed.---The original, yes.

And isn't it the case that you would send an original and then you would ask Sandy from time to time to check and to update it?---No. Mrs Alexander would maintain the spreadsheet and sent it to me.

40 But tell me when you prepared the original, what was it, what did it contain? ---I think the original spreadsheet that Counsel demonstrated up top.

Well, let me take you then just so that we can give substance to that. Same volume, please, at page 50. So when you say the same spreadsheet that Counsel showed at the top, do you mean the table that we see there? ---Correct, Counsel.

So as far as what you entered into the spreadsheet, is what's contained in that table the totality of what you prepared?---Yes, Counsel.

And you'll see it's broken down into five columns.---Yes, Counsel.

And down below it has Ki-Ty Investments Expenses.---Yes, Counsel.

And then there's various expense items.---Yes, Counsel.

10 So do you say that what you prepared was only what's in the box of the table or included the writing that we see below it under Ki-Ty Investments?
---The, up until roughly where it says "Expenses to Date."

In red?---Yes.

So that's - - -?---Above that, I put my hand up.

20 Right. And does that include to the right of the table with the boundaries around it, the figures that we see down the right-hand side?---As I said, anything above where it says, "Expenses to Date", I put my hand up.

So from beyond this specific version of it, is your evidence that from time to time you would prepare a spreadsheet and it would look something like what we see in this document above the writing in red, "Expenses to Date," and the figure that falls to the right of that 47,700?---No, Counsel. The original, as I said, from "Expenses to Date," I, I, I did that. Below that, Mrs Alexander maintained. I didn't prepare anything below that.

30 But what I'm asking is, this is one example of it, this is a version which I think you heard the evidence, was found on a device - - -?---Yes.

- - - in your premises and it was emailed, according to the email that attached it, by AA Steel to you on 18 December, 2018.---Yes.

40 But I'm asking you in a general sense that when – you agree, don't you, that from time to time you would prepare spreadsheets and send them to the Alexanders during the period that they were doing RTA and RMS work?
---As I said, Counsel, this is the original. I don't believe I prepared any spreadsheets, because Mrs Alexander just kept a running tally, from that continue.

But you say that the document you sent through, she would then annotate or amend. Is that your evidence?---I didn't – no, Counsel, I didn't send any document. As I said, this was the spreadsheet originally, and Mrs Alexander would maintain it from that point onwards.

But thinking about the, whatever date it was that you first sent it – and I accept you can't be precise about that now.---Yes.

The format of what you sent would have looked like what we see in the table, down to the writing in red, "Expenses to Date." Is that correct?
---That is it.

And I'm suggesting that in fact you had been sending them going back as far as 2013. That is, when you first started incurring expenses relating to the works at that stage relating to the pool and the outbuilding. Do you remember them going back that far, or not?---No.

10

When do you believe you first started sending them?---I, I believe this was around the time of the initial works. And that's when that was created.

We'll come to that one in a moment. But you don't believe you were sending them as far back as 2013?---Well, it was expenses regarding the pool equipment cupboard, yes, it would be 2013, because that's the time that work was done.

20

But when you were creating your spreadsheet, it's the case, isn't it, that you set it up in a way that first of all, it listed a purchase order number?---Yes.

And it was including a purchase order number so that both you and the Alexanders could know what specific RTA or RMS job that that part of the spreadsheet related to.---Yes.

You would include a scope of works so that there were some words to indicate where the work was done and roughly what it involved.---As per the spreadsheet, yes.

30

You would then input in AA Steel quoted price, and that reflected the original, genuine price, if I can use that term - - -?---Yes.

- - - for the work that AA Steel quoted for.---Yes.

And then dollars awarded to the job, you've put that into the table to reflect what you ultimately agreed or – I withdraw that – what they ultimately charged.---Correct.

40

And what they ultimately charged reflected what you had told them they should price it at.---Correct.

And the last column, Ki-Ty Investments, Ki-Ty, that acronym is a, it's using the first two letters of your children's names.---Yes, I believe we've established that.

And you used that name with a view to describing, without being specific, the moneys that were then owed to you.---Yes.

And you then ran a tally so that it added up on the right-hand side with the amounts from the various jobs that were, in effect, the margin on top of the genuine price that you believed you were entitled to.---Yes.

Was the way it then worked you would then send them to the AA Steel email address, and you would ask Sandy to, would you ask her to check them, to make sure that she was content with what was recorded?---No. As I said, Counsel, up until where it says “Expenses to Date” is what I sent her, then Mrs Alexander maintained it from that point onwards.

10

Now, if we go back, please, to the document at the same volume, page 41 – sorry, I’m not sure if your screen has a difficulty or whether it’s just mine.

MS SPRUCE: No, it’s just yours.

MR DOWNING: Thank you. You say that this, what we see here is not something you created.---No.

But you’ll see that what it does at the beginning is it adds up a certain number of figures, and there is a red total of \$23,626.---Yes.

20

What I’m suggesting to you is what that reflects are amounts that were owing to you as at 2013 from particular RMS jobs that AA Steel had been awarded, in 2013.---I, I can’t agree or disagree.

Well, you know though, don’t you, thinking back, that you were having them pay for certain works in 2013?---Yes, we established that.

And for instance, if you look below, you’ll see that there’s a reference to concrete cutting.---Yes.

30

And it’s the case, isn’t it, that you had concrete cutting done as part of the initial works for the purposes of the pool?---I believe so.

And you had the Alexanders pay for it.---Yes.

Wideline, you’ll see, follows below, \$2,310, dated 13 May, 2013.---Yes.

Now, Wideline are a company that provide windows and doors, aren’t they?---Yes, yes.

40

And you organised for them to provide the windows and doors to the pool building.---Yes.

And again the Alexanders paid for it.---Yes.

So do you see that each time one of those items like concrete cutting or Wideline appears, the red figure is reduced?---Yes.

Looking at that, it appears, doesn't it, to be a running tally showing moneys owing to you and then moneys being deducted from that to reflect costs being met by the Alexanders?---Yes.

And looking at the items below, they're in black. PK Roofing are the company that you organised to do the roofing for the pool building.---Yes.

You had the Alexanders pay for it.---Yes.

10

And then below again we see Wideline again. You've already confirmed that Wideline was a company that provide for the windows and doors.---Ah
hmm.

And then below again, Dural Pool Shop. That was a company that you organised for some products in relation to the pool.---Yes.

And had the Alexanders pay for it.---Correct.

20

And Reece Plumbing.---Yes.

And that was plumbing work in relation, I take it, to the pool or pool building?---No. It might have been supply of a product – I don't know.

You'll see it shows a date, 26 July, 2013.---Yes.

You were having plumbing fixtures bought for the purposes of the outbuilding I take it?---Quite possibly.

30

And do you recall that you had the Alexanders meet the cost of that?---Yes.

And then finally Amber Tiles. Do you recall that back in 2013 that there were some tiles that you needed as part of the pool or outbuilding?---Yes.

And again you turned to the Alexanders to meet that?---Yes.

Do you recall as at 2013 running yourself any type of tally to understand from your purposes how much you were owed and how much had been met by the Alexanders?---I can't confidently say yes, Counsel.

40

But you accept that you were having them meet the cost of things in 2013? ---No argument. No argument. It's clear on the sheet.

You, I take it, generally tried to keep on top of what money that you were owed in effect and what money they paid out of the money you were owed? ---Based on the information Mrs Alexander will supply me.

So it's likely, isn't it, that in 2013, because they were paying for things, you

would have been keeping some, trying to keep some control and handle on precisely how much was owed to you from the RMS jobs that AA Steel had been doing and how much they paid?---Yeah. Mrs Alexander would maintain that.

But you would have been, you yourself are someone who likes to keep a handle on that type of information, aren't you?---Well, Mrs Alexander would supply me information saying this is what's owed and this is what we paid for.

10

So you accept, I take it then, that as at 2013 you were having the Alexanders, when it came to the jobs AA Steel was putting in for, increase their prices in order to allow a margin so that they could then pay for these things?---Yes, Counsel.

Thank you. Now, just before I move off that, the document, if we could go back to it, please, you'll see that the figure that the one plus which is highlighted there is \$13,800, 20 July, 2013. Do you see that?---Yes, I can.

20

And if we could go, please, bearing in mind the date 20 July, 2013, if we could go, please, to volume 11.3, page 20. You would have heard the evidence from Ms Alexander previously that this account with the numbers, ending with the numbers 5-1-0-5 is the AA Steel business account, but do you see on 15 July, 2013, that the account shows a credit payment of \$54,780, and from the narrative there it's an RMS payment?---What date, sorry?

15 July, 2013.---Oh, yes.

30

I'm sorry, if we go to the page before, just so you're comfortable that I'm not misleading you with the date - - -?---No, that's okay.

If we go, please – just I want to make sure. You'll see the page before it, it's a closing date, or a closing balance of 28 February, 2013.---Yes.

And then this is a later page in the sequence of statements, but it's 15 July, 2013, showing a payment from the RMS to AA Steel of \$54,780.---Yes.

40

Now, if we could go then, please, to volume 11.4, page 32, you'll see there's a series of emails. If we could actually go back, please, to page 34 and then work backwards. I apologise for that. No, I withdraw that. if we could go back to 32, I'm sorry. You'll see that on 28 June, 2013, there's some internal emails from the RMS and then ultimately, on the same day, a purchase order. And you'll see there's a number there ending in 5492/10 for AA Steel that is sent by you to Sandy.---Yes.

And if we go, please, to page 34, you'll see the purchase order for this particular job for AA Steel is in the sum of \$54,780.---Yes.

And you'll see it refers to point-to-point handrail installation.---Yes.

If we could go, please, to page 36, you'll see that on that occasion AA Steel receives from you the purchase order number.---Correct.

And it's 28 June, 2013. Oh, I'm sorry, I withdraw that. It's AA Steel Piping sending something to you on that day.---Yes.

10 And if you go to the next page, please, you'll see it's the invoice for \$54,780, dated 27 June, 2013, and referring to work at Woodburn, Harwood Point and Marulan, all handrail safety installations.---Yes.

Now, noting there that there's the invoice submitted on 27 June, 2013, for 54,780 and a payment is made in that sum on 15 July, 2013, if we go back, please, to the document at volume 11.2, page 41, that figure of plus \$13,800 on 20 July, 2013, it's likely, isn't it, that that is your margin from that particular invoice and job that I've just taken you to?---Could very well be, Counsel.

20

So that it was paid on 15 July, 2013, and according to this document, the margin for you was \$13,800?---As I said, could very well be.

When it came to you working out your margin for particular jobs, was there any particular method you applied or was it something you just worked out on a day-to-day basis?---No, it was discussions with Mr Alexander and he said, "We can put X amount on it."

30 You will recall from Ms Alexander's evidence that what she described was a process where she would submit an invoice, you would then alter the description but also the figure to increase it. Do you recall that?---She would submit an invoice? I don't believe it was an invoice, Counsel.

THE COMMISSIONER: No, but you were asked - - -

40 MR DOWNING: I withdraw that. I withdraw that. It's a quote. I'm sorry. It's an error in my terminology and I apologise, Mr Steyn. She gave evidence, and I can take you to the transcript from what she described. ---Yes, I will confirm, Counsel, she would submit a quote and it may not include all activities and after discussions between Mr Alexander and I he'll agree on the criteria, the scope and we'd vary the cost.

Well, you gave some evidence about that yesterday and you did when I put it to you that – in fairness I think I should read to you just what Ms Alexander said. What she said in her evidence, and this is at transcript 99. Are we able to bring up the transcript on the page? The transcript is 11 May, 2021, 99. Sorry, transcript 99 so 11 May, 2021.

THE COMMISSIONER: Perhaps we might deal with that after the morning tea adjournment.

MR DOWNING: Thank you, Commissioner.

THE COMMISSIONER: Yes, all right. We'll take the morning tea adjournment and resume in about 15 minutes.

10 **SHORT ADJOURNMENT**

[11.31am]

THE COMMISSIONER: Yes, Mr Downing.

MR DOWNING: Thank you, Commissioner. Mr Steyn, just before the break, I was asking you about whether you could recall the evidence that Ms Alexander gave about the process of her submitting, on behalf of Ashley, quotes for AA Steel and then you, in effect, suggesting they be increased. Do you recall I asked you about that topic?---Yes, Counsel.

20

And I want to take you to what she said and then to your evidence yesterday, to just check something with you, please. If we could bring up, please, the transcript from – oh, I withdraw that. Commissioner, before I do, there's one matter I needed to attend to. In the orders that you made varying the section 112 order were in respect of the four dates upon which Mr Steyn gave evidence in compulsory examination, but I misled as to one of the dates. They were 9, 10 and 11 September, but the last date was 12 October, 2020, not 12 September. So can I - - -

30 THE COMMISSIONER: 12 October. Yes, okay.

MR DOWNING: I apologise for that, Commissioner.

THE COMMISSIONER: That's all right. The variation to the section 112 direction I made today in respect of the compulsory examination transcript of Mr Steyn will be further varied to correct the date. The fourth compulsory examination was 12 October, 2020, and accordingly the direction that I made is varied to include that date in lieu of the date previously stated.

40

VARIATION OF SUPPRESSION ORDER: THE VARIATION TO THE SECTION 112 DIRECTION I MADE TODAY IN RESPECT OF THE COMPULSORY EXAMINATION TRANSCRIPT OF MR STEYN WILL BE FURTHER VARIED TO CORRECT THE DATE. THE FOURTH COMPULSORY EXAMINATION WAS 12 OCTOBER, 2020, AND ACCORDINGLY THE DIRECTION THAT I

MADE IS VARIED TO INCLUDE THAT DATE IN LIEU OF THE DATE PREVIOUSLY STATED.

MR DOWNING: Thank you, Commissioner. Sorry, Mr Steyn. If we could now go back. I want to take you to the transcript of what Ms Alexander said about that process of her submitting quotes and then getting a response from you.---Yes.

10 Now, if we could go, please, to transcript page 99, so at 11 May, 2021. And I want you to read, please, from page 20 – sorry – from line 28 on that page. Do you see where it starts, “Have you ever had a discussion”? Only to yourself, not out loud. If you could just read that down to line 40, please. ---Yes, Counsel.

And if we could then go over the page, please, to page 100. I want you to read from the top of the page down to line 19, please. So starting at, “But putting aside,” down to line 19 and tell me when you’re done that.---Line 19, which is which one, Counsel?

20

It ends with the words, “And is it the case that whenever Craig did that, it was a case of increasing the quote, not decreasing it?” And her answer was, “Yes”.---Yes.

So, just looking at what she describes there, she describes a process of her sending through a quote, and just pausing there, that was what occurred with each job, wasn’t it?---Yes, Counsel.

30

And were they typically in the form of a Word document so that they could be opened and altered or edited?---Yes, Counsel.

And she describes that after she would submit it, you would say, “I want you to increase it,” but she also goes on to say that you would actually then reword the whole quote and also alter the figure on it.---Yes, Counsel.

Is that what you did?---Yes, Counsel.

40

So that you would open the document, you would reword it and you would increase the figure.---Yes, Counsel. Probably would say labour three men for, for works. So then the works was where was works, what were the works compiled of.

You gave some evidence about it yesterday and you seem to agree with her version, that is Ms Alexander’s version of events to a degree, but if I could take you, please, to your answer starting at transcript 169, so 12 May, 2021, page 169. Perhaps just while we’re waiting for that to come up I’ll put to you the substance of it. In your evidence yesterday you indicated that you acknowledged that you would when you received a quote you would

suggest an additional amount. You agreed with that. This is in response to questions from the Commissioner. But you also said that you did that in a couple of answers “to cover the scope of works”.---That’s correct, Counsel.

Do you remember giving those answers?---That’s correct, Counsel.

So do you say that when it came to you editing the quotes you would expand the scope of works to reflect the totality of a job?---Correct, Counsel.

10

But to the extent that you also increased the price it is correct, isn’t it, that the price wasn’t just – I withdraw that. The increase to the price that you would then put in didn’t just reflect a genuine cost for the expanded scope of works, it also included a margin for you?---Yes, I think we established that.

Thank you. So that where you edited it, you would in some respects try and make it properly compliant with what the contract involved and what the purchase order required.---That’s correct, Counsel.

20

So that there would be a proper description of all of the works.---That’s correct.

But you would also work into it an element to reflect something that wasn’t any type of genuine work to reflect your cut.---I believe we established that.

Thank you.

30 THE COMMISSIONER: Could I understand this, you said that working out a margin you were asked whether you had a methodology and you said no, you didn’t have a methodology as such. Do you recall saying that before the morning tea adjournment?---Yes, Commissioner.

But the practice was with AA Steel, and we’ll take them as an example, it involved a number of steps, did it not, the first was you would receive the invoice from AA Steel, it was to be sent to you by Ms Alexander?---The quote you mean, Commissioner?

40 The quote I’m sorry. The quote, yes.---Yes.

And then you would determine what amount by way of a margin would be added in. Is that right?---Yes, Commissioner. After discussions with Mr Alexander.

And in determining an amount to be added – I withdraw that. In determining any alteration to the quote it would be an alteration, as you said yesterday, that would increase the overall cost - - ?---Yes, Commissioner.

- - - not decrease it.---Yes, Commissioner.

And then when you came to evaluate how much the margin would be embedded into or added to the quote, I take it you would firstly consider how much could be added without it drawing attention, without it standing out. In other words, you wouldn't put in too large a margin which would attract attention of RMS or RTA. Is that right?---Yes, Commissioner.

10 So you had to work out what amount of margin could go in without drawing attention or being detected.---Yes, Commissioner.

And then you also had to evaluate how much a margin is worthwhile for you, in awarding the contract.---Okay.

Is that right?---Not really, it was just - - -

Well, there was going to be something in it for you.---Yes, but - - -

20 You would benefit.---Yeah, but there was no margin or specific number - - -

No, but each case, you would look at the quote and decide in relation to the awarding of this contract to, say, AA Steel, "I've got to work out how much margin for me. I don't want to put too large an amount in, because that'd only draw attention." Correct?---Yes.

"But I also want to put an amount in that makes it worthwhile for me to do, to approve this contract, approve this quote."---Yes.

30 So, you would then have to consider, "Well, how much do I want?" Is that right?---Yeah.

Because this was money that would go to you, so you were interested to know, "How much do I want to add as a margin in this particular quote?" Is that right?---Not really, you look at roughly what the industry charges for such activities, roughly.

But this is a false margin that's being added in, isn't it?---Yes.

40 It doesn't relate to the work.---No.

It relates to you agreeing to give the contract to AA Steel. Is that right?---Correct.

It's the price you're charging to award the contract to AA Steel, in the particular case, right?---Okay.

So the two factors you were working out how much was firstly, "I don't want to put too much a margin in, which will draw attention."---Ah hmm.

Is that right?---Yes.

And the second thing is, “Well, how much do I want to make it worthwhile for me?” Is that right?---Yeah.

Well, it was only, the margin was only for you, it wasn’t for anyone else, was it?---Sorry, Commissioner?

10 The margin that you were adding onto the quote - - -?---For AA Steel, yes.

- - - was a margin that would be coming to you, not to nobody else.---No.

Right. So the question is, how much did you want, was one of the questions that you would evaluate for yourself. Is that right?---As I expressed, Commissioner, there was no set margin or figure or percentage or anything like that.

20 No, there was no fixed margin.---No.

You would look at each case, each quote, and decide “How much do I want to add to this quote?”---On a case-by-case. On a case-by-case.

Is that right?---On a case-by-case.

And in determining how much ultimately you would decide for yourself how much margin, was the only factor that you took into account really was, “How much do I want?”---Is that a question or a statement?

30 It’s a question.---Okay.

Yes, in working out the amount ultimately came down to the question, didn’t it, “How much do I want? How much would I like to charge for this particular quote?”---I can’t confidently say that that was the thought behind it, Commissioner.

But ultimately you decided how much the margin was going to be.---Yes.

40 And you decided how much the margin was by deciding, “How much do I want?” There’s no other measure, was there?---No, there was no measurement.

There’s no other formula.---No, there’s no formulas.

You didn’t have a methodology for working out the amount of the margin, did you?---No.

So on a case-by-case basis, you would look at the quote and decide, "How much should I add onto this?"---Yes.

"How much do I want to add onto this?"---Okay.

All right. And you didn't do it according to some fixed scale.---No.

It was a case-by-case situation.---Yes.

10 And in determining the amount of each margin, was the only criteria you used was your personal greed?---Okay.

Would you agree?---Not necessarily.

Well, you were putting on these false margins so that you could make money out of it. Is that right?---Okay.

Is that right?---Yes.

20 And you'd agree that your motivation for doing that was nothing more than greed.---Okay.

Is that right?---Okay.

Do you agree?---Okay, Commissioner.

Do you agree?---Yes, Commissioner.

30 Do you agree?---Yes, Commissioner.

And accordingly the amount of money in each case came back ultimately to two things, not too much to draw attention and how much will feed my greed, in fact in essence.---Okay, Commissioner, agree.

Is that fair or not, is that a fair way of looking at it?---I can't agree or disagree.

Sorry?---I can't agree or disagree with that.

40 Yes.

MR DOWNING: Just dealing with the margins that you were building into the quotes and then they were reflected in the prices charged by the invoices, ultimately what you were doing was diverting public funds to your benefit. You accept that, don't you?---Yes.

And that if it were not for your cut, then the price that AA Steel would have been charging for the works would have been lower.---Would have been, yes.

Thank you. Now, can we go, please, to the second of the spreadsheets, and that is – well, first of all the email. So if we could go, please, to volume 11.2, page 49. Now, you're aware that when your, when the search warrant was executed in your home in June 2019, there were phones and other storage devices seized?---Yes.

10

And it's the case, isn't it, that at the time you were using a Note 9, a Samsung Note 9 phone?---I think I was using a Note 8.

Could it be that you had an old phone, a Note 8, lying around at the time? ---9 would have been later on.

I'm sorry?---The Note 9 might have been later on.

20 Right. In any event, I'm going to suggest to you that this email and the attachment were found on a device, that is a Samsung phone that was located at your house at the time.---Okay, agree.

And looking at the email, do you recognise it as something you received? ---Yes.

And you'll see it's dated 18 December, 2018.---Yes.

30 And it's from AA Steel Piping and to Creative Services, which was the email address that you used for personal purposes from time to time. Correct?---Yes.

Now, the attachment you'll see is an Excel spreadsheet.---Yes.

And it's named Craig Aug 2015.xls---Yes.

Do you believe that's the name you gave the document when you created it? ---Could have been.

40 All right. In any event, I take it that when you created it, you then sent it through to Ms Alexander?---Yes.

And asked that from time to time she update it and then send it back to you so you could see where things were at?---I think we've established that.

And if you, accepting that this is an email that she seems to have sent back to you on 18 December, indicating it had just been updated with the inclusion of invoice 0608 which has just been paid. Can we go, please, to the first page of the spreadsheet, so page 50. I've asked you already about

the table and you've confirmed that you were the person that created the table and the text down to "Expenses to Date." Correct?---Yes, Counsel.

So if we look at some of the individual items, first of all it's correct, isn't it, that the purchase order numbers have a number and then a reference to a line item?---That's correct, Counsel.

10 So that within a particular purchase order you might have, in the one invoice or a series of invoices, you might have line items for specific parts of a job.
---Yes, Counsel.

So that looking at the first grouping there, the 4510366428-10-20-30-40, it's correct, isn't it, that they all represent line items for that particular purchase order?---Correct.

And you then get a description there of the particular work involved.---Yes.

20 And then we go down. Using the same purchase order number ending with 6428, there then seem to be references to different work items using line items 10, 20, 30, 40, 50 and 60.---Yes.

So, would it be that sometimes you might get multiple invoices in respect of the one purchase order, sometimes with, say, three or four line items and sometimes with six line items?---One, one purchase order with multiple line items.

30 Well, you'll see here, for instance, that there are two entries that bear the number 4510366428-10. There is one at the top and that refers to, "Handrail install Mount Victoria".---Yes.

And then with the second grouping there's the same number but this time it's, "Antenna fabrication." Do you see that? It's the same number, even with the line item, but whereas the first grouping has items 10, 20, 30, and 40, the second one has line items 10, 20, 30, 40, 50 and 60.---Purchase orders may be wrong, just, just one number maybe wrong.

Ordinarily, should there be a different number if it's a separate job?---Yes, yes.

40 Just dealing with the first grouping though, and accepting that this seems to have been a spreadsheet you'd created in 2015, what this seems to reflect, doesn't it, is works done and building, 2015, by AA Steel, involving some work at Mount Victoria, fabricating what they describe as container feet, 12 of them, modifying a generator container and some Mount Ousley gantry, or work on a Mount Ousley gantry locking mechanism.---Yes.

Now, do you recall that work being done by AA Steel?---Yes.

And just looking at the way the items in the spreadsheet table work, we draw from the first item, don't we, that the handrail installation at Mount Victoria involved no margin to you?---Correct.

So that was work where the price that was quoted the price that was ultimately paid by the RMS reflected the genuine quote by AA Steel?---Yes.

And that's the same with the fabrication of the container feet?---Correct.

10 However, when we get to the moderating generator container, there is a significant difference.---Correct.

So what that would have reflected is that the initial quote for that part of the work was \$13,000 and you then altered the quote so as to say, "Make it 30".---Correct.

And then with the last item, the Mount Ousley gantry locking mechanism, again, that seems to be the price reflects literally a \$1,000 quote and a \$1,000 price paid?---Correct, Counsel.

20

So that the only item within those line items that make up that purchase order where there was a margin to you was the modifying generator container.---Yes, Counsel.

And just pausing with Mount Ousley. Mount Ousley is on the Bulli Pass, isn't it, in the area going down to Wollongong?---Yes, yes.

30 And if we use that as an example, that is that first grouping of items, can we go, please – or before I take you to it, if you add up the amounts awarded to job, you will see that across those various line items in that purchase order number you get to a total of \$47,000.---Okay, yes.

Do you see that, 9,800, 6,200, 30,000 and 1,000, you get to 47,000?---Ah
hmm.

And of that 47,000, there's a margin to you of 17,000?---Yes.

And if we could go, please - - -

40 THE COMMISSIONER: Sorry, just before you go there. Sorry, could you just keep that there for a moment? Can you explain why, in this case, there was no margin added to the first two items, why the margin was wholly referable to the modified generator container?---Yes, Commissioner.

Why did you choose to operate that in that way?---The works done with no margin was at market, industry prices.

Sorry?---Were at industry, roughly, prices.

Right. And so you decided to load just that component, just the third line item, which is the more expensive of the three items, with the whole margin. Is that right?---(No Audible Reply)

Is that right that you decided to load the most expensive of the three items, that is the third line item?---Yes, there was margin there.

10 How did you come up with the figure of 17,000 for that line item, bearing in mind the AA Steel quoted price was a mere 13,000? So in other words, instead of RMS or RTA paying 13,000 for that aspect they were going to end up paying 30,000. How did you work out the margin that took it up to 30,000? Namely, the 17,000.---After discussions with Mr Alexander at the workshop he said we could add this, we'd add dollars to this.

I'm sorry?---After discussions with Mr Alexander at the workshop where the work was to be done, he said we could add money to this.

20 He said what?---We could add money to this because it can blow out.

Yes, but how did this 17,000, how was that arrived at?---It was just a figure we put together.

This is a figure you came up with?---Yeah.

And do you know how you came to decide that 17,000 was about the right margin for you?---No, there was no system or anything.

30 No science to it.---No, no science.

No methodology to it.---No, Commissioner.

You decided that you're going to have RTA or RMS, whatever the entity, would pay 30,000 instead of the quoted 13,000 and they probably wouldn't notice it, somehow that it would carry a margin of 17,000 without attracting attention. Is that the process?---Yes, Commissioner.

Sorry?---Yes, Commissioner.

40 That's a rather large margin, isn't it, on one item, that is the RTA or RMS would be paying more than double the real cost?---Yes, Commissioner.

Yes?---Yes, Commissioner.

There's no particular reason why you chose that figure, you just - - -?---No.

- - - thought it would be a satisfactory outcome for you. Is that right?---No, Commissioner, but, yeah. I didn't think beyond a satisfactory outcome. It was just a figure put on.

It was a satisfactory outcome from your point of view though, wasn't it?

---In the end, yes.

You'd agree now, wouldn't you, that to add a margin of \$17,000 onto the quote was highly improper?---Yes, Commissioner.

10

Yes. Okay.

MR DOWNING: Thank you, Commissioner. And if we could go, please – having totalled that up and it comes to \$47,000 with the \$17,000 margin, if we could go, please, to volume 11.2A, page 63. Do you see that this is a 19 February, 2015 quote for the same work that's reflected in that table in your spreadsheet and for the same sums?---Yes, Counsel.

20

So what this would have reflected would have been the – I withdraw that – the quote that you received after suggesting to Ms Alexander that there be an increase.---Yes, Counsel.

And you would have altered item 2, which is described there as “Research design is needed and modification of shipping container to accommodate cameras for RMS Safe-T-Cam program,” you would have altered I take it that wording to try and make it look like more extensive works.---It's what the works was.

30

Right. Do you say that there was any alteration by you to that or that was what it was?---That's what the works entailed.

Okay. But you increased the figure from \$13,000 to \$30,000 - - -?---Yes.

- - - so that this could then be submitted and paid?---Yes.

And it's the case, isn't it, that from about 2015 onwards that was something you did with some regularity when it came to contracts that AA Steel were performing?---Yes, Counsel.

40

And I don't suggest that you did it with every item. Even this job demonstrates there were some line items you didn't do it, but it was something that you did with some frequency from 2015 through to 2019. ---Yes, Counsel.

And was the reason that you seemed to be seeking to increase your margin through contracts with some frequency from 2015 to 2019 was simply that reflected a period of financial need for you in relation to the house or was there some other reason?---No, no other reason.

When you came to calculating your margins, did you make any attempt to anticipate what expenses you might be asking the Alexanders to pay?---No.

So it wasn't done with a view to covering what you knew you would be asking them to pay?----No.

10 Can we then go back to the spreadsheet, please, so page 50. If we go to the second grouping, so after the space in the table, so the one that starts with "Antenna fabrication, \$1,500," and dollars awarded to job, 5,000.---Yes.

Do you see that with that particular group of works, so that there are six items?---Yes.

And do you recognise, again assuming that this is in about 2015 when this spreadsheet seems to be created, do you recognise the particular job that that related to?---No.

20 It seems to be, or it refers at least to some work in Bulli. Do you see that?
---(No Audible Reply)

In the second item, "Bulli gantry lock."---Yes.

And the last item is a Bankstown, sorry, or it's misspelt Balacktown, I assume that's Blacktown, yard clean-up.---Yes.

And was there an RMS yard at Blacktown?---Yes.

30 And did you, can you recall whether you organised for AA Steel to do some clean-up of that yard?---They did go do something but I don't know what it was.

Well, looking here, the amount awarded to – if we add up the figures, the actual AA Steel quoted price for the items that are there, and there are two that have none at all and I'll come to that, but the quote, the figure you reach when you add them up is \$5,000.---Yes.

40 The figure that you reach when you add up all of the items in Dollars Awarded to Job is \$25,000, isn't it?---I'll take your maths for it, Counsel.

Well, "five and two are seven, six is 13,000, two is 15 and then two lots of five takes it to \$25,000."---As I said, I'll take your maths for it.

That reflects, doesn't it, that for these particular items of work, even if the purchase order number may be in error, that there was a genuine price of \$5,000 and a margin to you of \$20,000?---Yes, Counsel.

And if we could go, please, to – I withdraw that. Before we go to the next document, if we look at line item 30, “Modify frame and mounting brackets.” There’s no quoted price at all. Do you recall what that work involved, “Modify frame and mounting brackets?”---No.

But what we do see in the last column is your margin was the entire \$6,000. ---Okay.

10 It’s likely, isn’t it, that that reflected something that there was no genuine price for AA Steel at all?---Yes.

THE COMMISSIONER: Could it be also the fact there was no work done under that item?---I believe there would have been work done but maybe they charged - - -

You’re unable to say whether it was a job that could have been done in a day, in an hour or a day?---No.

20 MR DOWNING: And then similarly if we go to the Blacktown yard clean-up, it seems that the amount awarded to the job was your entire margin of \$5,000.---Yes, Counsel.

And again that would seem to reflect, wouldn’t it, that there was actually no genuine price for that job at all?---I agree.

And consistent with what you just answered to the Commissioner’s question, it could be that there was no work done at all?---Possibly.

30 Or is it possibly the case that there was some minor work done but nothing that they actually rendered any specific quote in respect of?---Quite possibly.

Where you asked them to do work and there wasn’t an actual quoted price, did they sometimes make up the cost through other jobs?---May have.

40 Did you ever suggest to them that, when it came to the wash-up of them billing for things, if they’d done some work somewhere and hadn’t specifically billed for that item, they could make it up elsewhere?---Mmm, no, I don’t believe a suggestion - - -

Can we go, please, to volume 11.2A, page 80 – 79. If we could go, sorry, 11.2A, page 79. And do you see there is on 25 May, 2015, it appears there’s an invoice for work completed in May 2015, sent from AA Steel to you?---Yes.

And then you send on an email that day to Finance, indicating that it was approved.---Yes.

So I take it what that involved was you checking the invoice to make sure that you were content that it was appropriate to then be paid.---“Sent from iPhone,” probably just forwarded the email on.

But what did you mean by saying “approved” in the email to the Finance section of RMS?---It’s approved.

Meaning that it was work that had been done and it was approved for payment?---Possibly, yes.

10

Well, if we go then to the next page, please, to what was attached, do you see here that – and this may help explain the issue with the purchase order number – there are in fact two purchase order numbers listed there?---Yes.

The first one ends with 6-4-2-8 and the second one ends with 6-8-5-8. ---Yes.

But when you go down, you’ll see that there are six line items.---Yes, Counsel.

20

When you look at the different figures there, if we could – you’ll see that, for instance, there’s a fabrication of a locking mechanism for Bulli Pass point-to-point and VMS site, and there’s a charge of \$2,000 for that.---Yes.

And that indeed was one of the items that was included in your spreadsheet. You recall that, don’t you?---Yes.

Now, there’s also relevantly the second entry is “Modify mounting brackets and frame as required for the RMS camera provider.” You see that?---Yes.

30

And that’s the figure of \$6,000.---Yes.

And that was the item which seems to correspond with the item with no AA Steel quoted price in the spreadsheet.---Okay.

Looking at it now, can you assist us at all as to what that work actually consisted of if there was any work at all?---I can’t recall, Counsel, it’s 2015. I know they, they did do a lot of modification of works, brackets and that.

40

But could it be that they’ve done it at some other time and in this instance you were permitting them to put an invoice in for no work at all?---As I said it’s, oh, it could be.

Well if you had understood that there was any actual genuine quoted price that reflected that work you would have included it in your spreadsheet, I take it.---Mmm, may have.

Well, that’s what the spreadsheet reflected, did it?---Yeah. Yes.

If we could then look at item 5, you'll see there is that item for "Clean-up of RMS yard at Blacktown from debris left by others, fix fence." Do you see that?---Yes.

In the sum of \$5,000.---Yes, Counsel.

And that seems to correspond with the "Black, Balacktown yard clean-up" line item 60 in your spreadsheet.---Yes.

10

And again, does that assist at all in recalling whether there was actually genuine work done, or can you not add anything further?---I, I, I think that was actually, they did do something there.

But you can't be any more specific, is that the case?---No.

In any event, the total according to this was \$22,000 plus GST, rather than the amount that's reflected in your table. Can you recall whether there was some issue with the amount that was included in the quote that resulted in some change in the invoice?---No.

20

All right. Now, if we could go back, please, to the spreadsheet, so back to volume 11.2, page 50, and looking now at the last groupings, that is the purchase order number 6858, line items 10, 20, 30, 40. You see those?---Yes.

And it's the case, isn't it, that with each of those items, with the exception of the Cowan Bridge works, again there was a margin built in for you?---Yes.

30

So that across that, that particular grouping, the total is \$45,500.---Yes.

And your margin out of that was \$17,000.---Yes.

So again the process would have involved you receiving initial quotes and then suggesting they be increased to reflect that margin.---Yes.

What that table indicates, doesn't it, is that through those three different jobs, which seem to have been in 2015, your margin was \$54,000 if you add up all the amounts besides the balance of previous investments?---Yes.

40

So the \$16,000 at the top of the table, I take it you included that because there had been some earlier calculation by you and that was how much you understood that you were still owed?---Could have been.

Well, what else does, "Balance of previous investments," mean?---Could have been, as I said.

Well, tell me, what other explanation can you provide for what that reflects?
---I confirm it could have been. There's no explanation that I have.

Well, the only explanation is, isn't it, that it reflects - - -?---I, I agree. I'm not disagreeing.

And does that not suggest that you must have had some form of spreadsheet before then under which there was a total at that point of \$16,000?---I don't recall any spreadsheet.

10

Looking then at the information below, you've indicated that all of that was then added, as best you can recall, by Ms Alexander.---Yes, Counsel.

But what about the part at the bottom of the table? So you'll see there's a reference there to various, what I'll describe as debit items. So under Ki-Ty Investment Expenses, the pool equipment cover, Advanced Demolition et cetera, then two references to Austral Bricks, but do you see at the bottom of the page there's a yellow highlighted section?---Yes, Counsel.

20

And that again seems to refer, doesn't it, to moneys that were owed to you from particular jobs?---Might very well be.

Well, you'll see that those figures then seem to result in the running tally increasing.---Yes, Counsel.

So you'll see that just above there, the running tally figure is \$700 debit, that is after paying for the bricks, that you were actually in \$700 debit it would seem, according to the table.---Yes, Counsel.

30

Then when you add up those figures that start with the yellow highlighting, you get a total of \$25,494 credit.---Yes, Counsel.

Then it looks like the \$700 debit is regarded there as a shortfall.---Yes, Counsel.

And then if we go over the page to page 51, you'll see that the running total is then 24,794.---Yes, Counsel.

40

Now, I take it that when you – I withdraw that. If we could go back, please, to page 50. Do you believe the yellow highlighted section was included by you at some point or added by Ms Alexander?---By Ms Alexander.

So did she, from time to time when she sent back the spreadsheet, update it so as to include references to perhaps other jobs where work had been done by AA Steel?---I would have to agree.

And would you check it each time that you received it to make sure that what she was suggesting was right?---Not always.

Well, dealing with the particular works and invoices that had been paid, you would have had the means of being able to check that?---Yes, I would have had the means.

And looking at this example, wouldn't you have gone through to check that, in fact, each of those items reflected work that was genuinely done by AA Steel?---No, I wouldn't have bothered.

10 Well, what about at least checking that the margin that seems to have been allowed for Ki-Ty Investments reflected what you had actually permitted as far as the pricing?---I wouldn't have bothered.

You would just take it at face value?---Face value from Mr Alexander.

Well, when you received it, did you check anything?---Not really, not really, Counsel.

20 Well, if we go back, please, to page 51. I'll come to some specific items, but when you look at page 51, then to 52, then to 53, and then to 54, the document sets out, at some length, a large number of items reflecting payments made either to you or on your behalf.---Yes, Counsel.

And in some in some instances it reflects jobs where you had a cut, so that the running total was to be increased?---Correct, Counsel.

30 So if we could go back, please, to page 51. Noting that this seems to then be covering the period from late 2015 through to about October 2016, do you accept that each of these items reflects a cost that the Alexanders met for you?---Yes, Counsel.

And it's the case, isn't it, that in that period, 2015/2016, you were asking them to pick up quite a range of things in terms of expenses related to your renovation or for your living expenses?---Yes, Counsel.

It's the case that you looked to them to pay for things as varied as building materials?---Yes, Counsel.

40 Furniture?---Yes, Counsel.

Design costs related to the works at your house?---No, Counsel.

You disagree with that?---Yes.

Was Fantastic Design, do you see an item - - -?---Kitchen, kitchen installer.

Oh, kitchen installer. So, it was the cost of the actual kitchen installation rather than design?---Yes.

You'll see there's a number of entries for that, correct?---Yes, Counsel.

And at times, you also asked them to pay for furniture?---Okay.

You recall that, don't you?---I can see it there on the spreadsheet.

Well, do you dispute that there was times when furniture was paid for?
---I'm not sure what furniture. I won't deny it, I accept I have - - -

10

You would have – I'm sorry. Please, I didn't mean to speak over you Mr Steyn.---Sorry, Counsel. I, I, I can't recall what furniture but it's on the spreadsheet so I accept it.

I mean, you would have looked through this when you received it back from Ms Alexander, wouldn't you?---Quick scan but not really drill down on stuff.

20

I mean, at the time that you were – I withdraw that. As at 2018, you knew that you'd provided her with many, many invoices for her to pick up the cost of?---Yes, Counsel.

And I'm suggesting that it included things like tiles. Do you agree with that?---Yes.

Furniture?---As I said, I don't know but yes, I agree.

Water tanks?---Yes.

30

Heaters?---Heaters. Which line item is that?

Do you see Amuheat?---Oh, that's floor heating, yes.

So you had the floor heating put in?---Yes.

You were also present, I understand, the other day when Ms Alexander gave evidence and confirmed that there were payments in respect of the cost of televisions and sound bars.---Yes.

40

So you got the Alexanders to pick up that cost.---Yes.

If we go over the page, please, was "SD Alarm" the cost of some alarm system?---Yes.

"Wynstan," was that blinds?---Mmm, think a security gate.

"Fantastic Design," was that more kitchen costs?---Kitchen.

And then "Empire Office Furniture," there's a couple of entries.---Yes.

Now, you also asked them to pick up the cost of a number of items in respect of, if I can describe them as family expenses.---Yes.

And in that regard, do you recall that one of the things you actually asked them to pay for was the cost of a birthday party for your wife?---Can we just clarify that?

10 Certainly.---There was a suggestion that my wife was to have a party, and Mrs Alexander, sitting at a dinner, insisted that if I didn't give my wife a party that she was going to do it.

THE COMMISSIONER: But you don't dispute, do you - - -?---No, I don't dispute that.

- - - that there were entertainment costs paid by the Alexanders which you benefited from, you don't dispute that?---No, I don't dispute that, Commissioner.

20

Same with school fees, travel.---Yes, Commissioner.

There was a vehicle, as we've heard, purchased at some stage.---Yes, Commissioner.

And of course, there were various cash amounts we've seen that came your way from the Alexanders.---Yes, Commissioner. Yes, Commissioner.

30

As well as electronic funds transfers.---Yes, Commissioner.

Would you dispute that the benefits that you received over the period of time through the system you had with AA Steel and/or the Alexanders would run in total to hundreds of thousands of dollars? Do you dispute that?---Looking at the spreadsheet, no, no, Commissioner.

40

Do you know that in fact the benefits that came your way through these arrangements involving the Alexanders and AA Steel did in fact exceed, did in fact amount to hundreds of thousands of dollars? Do you know that from your own knowledge?---From, as looking from the spreadsheet, yes.

Sorry?---Looking at the spreadsheet, yes, Commissioner.

All right.

MR DOWNING: And just dealing with your wife's birthday, do you recall that it was a function that was organised, a surprise fortieth birthday at the Blacktown Workers Club?---Yes, Counsel.

Can we go, please, to volume 10.4A, page 96. Do you see that that's a receipt confirmation from the Workers Club for a payment of \$250 from Sandra Alexander?---Yes, Counsel.

And if you go to the next page, please, to page 97, you'll see there's actually a customer event sheet for your wife's fortieth birthday and a breakdown of the cost of things like the room hire, dips, cheeses, et cetera.---Yes, Counsel.

10 And if you go over the page, you'll see that it came ultimately to \$3,117.50. ---Yes, Counsel.

If we go to the next page, please, to page 99, you'll see that Sandra Alexander signed off on the event sheet on 18 January, 2016.---Yes.

And then go to the next page, please, you'll see the Blacktown Workers Club cash sale receipt, showing an amount of \$2,621.25.---Yes. Yes.

20 Then go to the next page, please, you'll see the Workers Club tax invoice, \$2,916.25 inclusive of GST and addressed to Sandra Alexander.---Yes.

Do you see that?---Yes, I do, Counsel.

And she paid for the cost of the function, correct?---Yes, Counsel.

Could you also go, please, to page 102. Now, we're going to need to enlarge that, please. Do you see that you actually, from that function, your wife's surprise fortieth, the club actually provided a breakdown of drink by drink precisely what was owing?---Yes.

30 And when you get to the bottom the total for the drinks was \$997.10.---Yes, Counsel.

Plus some GST. And again that was picked up by Ms Alexander. ---Mr Alexander, yes.

Well, the Alexanders but you organised it through Ms Alexander. Correct? ---Mr Alexander put a credit card on the bar that night.

40 And it was ultimately recorded in the spreadsheet as one of the various things that was being picked up by the Alexanders in return for the work that you were giving them.---Yes.

And you certainly didn't push back and suggest that that was something separate, did you?---No.

There were other things like, was it your father's birthday that they met the cost of?---I believe so.

And there were also, weren't there, some flights, some travel expenses for Aleesha's father?---I believe so.

School fees for your son.---Yes.

And it's correct, isn't it, that you also got them to pay for some legal fees in relation to your brother?---Yes.

10 And if we could go, please, to volume 10.4B, page 13. I'm sorry. I apologise. Page 7. It's my error. Do you see this is a bank statement and by reference to the account number you'd recall from Ms Alexander's evidence that this is the personal joint account of the Alexanders. Do you see 3 February, and I'm going to ask you to assume it's 2017, there is an \$8,800 payment to S. Maharaj G. Steyn?---Yes.

And it's the case, isn't it, that what that payment reflected was payment to some immigration lawyers who were acting in respect of your brother Gareth?---I believe so.

20 And you asked the Steyns – I withdraw that. You asked the Alexanders to pick up that cost. Correct?---I believe everybody made a contribution including the Alexanders to that.

Sorry, who is everybody?---Members of the family.

So it was – sorry, was 8,800 not the full bill?---No.

30 All right. But to the extent that you asked the Alexanders to meet part of the bill they ultimately included it in the spreadsheet they sent to you.---I would say so, yes.

And I take it that you would have seen that when you looked at it because it's quite a big item.---Not really. She just said she's, Ms Alexander just mentioned that she was going to help us (not transcribable)

But it's recorded in that document as a debit item against the credits for the amounts owing to you.---Sure.

40 That's the way it was treated between you and the Alexanders. Correct? ---Yes, but I didn't actually look into detail, Counsel.

Now, if we could go back to the spreadsheet, please. If we could go, please, to page 52 where we are. You'll see there are some items towards the bottom of the page next to Zalda.---Yes.

There's 7,000, 3,000 and 2,000.---Yes.

And so remind us who Zalda is.---My stepmum.

And did you ask Ms Alexander or Mr Alexander to pay some money towards your stepmother?---Yes.

What was the purpose of that money?---I don't recall.

In any event, rather than paying it yourself, you asked the Alexanders to pay it.---That's correct, Counsel.

10 So you'll see that it totals about \$12,000 in that period from August, or in August 2017, in a relatively-short period, 29 to 31 August.---Yes.

Does that assist at all in recalling what it was for?---No.

Then 10 December, 2017, Peter appears.---Yes.

Is that Peter Manuel?---Yes.

20 And do you recall what that relates to?---No, I think he was, might have been facing some hardship and - - -

So rather than you pay it, you asked the Alexanders to.---Yes.

If we can go over the page, please, do you see towards the bottom, 4 August, 2018, we see a cash entry?---Yes.

\$5,000.---Yes.

30 And then if we go to the next page, you'll see there are quite a number of cash entries through August down to November 2018.---Yes.

Do you recall that during that period you sought cash from the Alexanders? ---I'll just clarify, Counsel, not once did I ever sought cash. Mrs Alexander would give me. I've never asked for any cash. Mrs Alexander would give me.

Do you say she approached you and said, "Do you need some cash?"---Yes, I, I do.

40 Mr Steyn, do you say, what, she just out of the blue would raise with you if you might want some cash?---She would just come and say, "There's some cash in an envelope. You can pay a few bills."

You didn't ask for it at any time?---No. At no stage I've ever asked.

All right well, having had this unsolicited approach from Ms Alexander with cash, did you accept it each time?---I did.

And then I take it you used it for living expenses?---Yes.

And how did she deliver it to you?---It would be an envelope. She would either come up behind me and stick it in my back pocket or she'd hand it to me.

Just looking at that period in the second half of 2018, is that a period where you had any particular expenses that were pressing?---Always got expenses, Counsel.

10

But when you look at the amounts from August through to November, it's into the tens of thousands of dollars in cash.---Yes.

And what did you use it for?---Some of it was for work I was doing and some of it I assisted family members.

Sorry, so you gave that to other family members?---Yes. Some of it I used for works I was doing.

20

So do you say that in respect of every single instance where you received cash from Ms Alexander, it was her coming unsolicited and offering it to you.---Correct.

Did you ever seek cash from any other contractors?---No, I couldn't ask.

Are you sure you didn't ever ask for instance Mr Rahme to provide you with cash?---No. Mr Rahme would be business deals together and he would say, "This is your cut."

30

That's your evidence?---Yes.

I'm going to suggest to you that you actually spoke to him and said, "I want some cash in return for the work that Lancomm's getting." Do you agree or disagree?---I don't recall having a conversation like that, Counsel.

40

Well, tell me as best you can recall how it came up with Mr Rahme that he provides cash to you.---Mr Rahme and I would continually be involved, engaged in business activities. He kept asking me to open up a business together so we could do work together and I did say yes, one day I would do it, along those lines, I helped him out with works and he said, "If you do that for me I'll give you a cash payment."

So you say that what, he approaches you with a view to running - - -?
---Establishing a - - -

Establishing a business together.---Correct.

And what was the nature of the business that you were going to establish together?---We were looking at going into maintenance.

Right.---Whether it's grass cuttings, whether it's putting up signs for councils or - - -

And for how long did Mr Rahme approach you about doing this sort of maintenance-type work together?---Over several years he kept wanting to do it.

10

But didn't you understand though, at least in the later years of your work with the RMS that there would be a difficulty with that in that you had a full-time job and outside employment was something that you needed to try and get approved?---Yes.

Well, you knew, didn't you, that it was ultimately something that was unlikely to approved, that is you running a maintenance-type business with one of the contractors that did work for the RMS?---No, it wouldn't be approved.

20

Well, tell me then, Mr Rahme approaches you and, what, in effect pesters you?---I wouldn't use the word "pester," but continually brought it up in conversation.

And you, what's your response to him? Do you say, "I'm interested but not now"?---Yes, "I'm interested." If, if, it's something that took off, well, I would leave the job and focus on that.

30

But it's the case that you ultimately didn't ever set up a business that did maintenance work?---No.

So how did he come to then pay you money?---I say for works that I did for him or he did for me.

Well, where it was works he did for you, of you mean works that he did for you for the RMS?---Correct.

40

So he's giving you cash in relation to those but you didn't seek it? ---Correct. No, it, it, there was works required, maybe underboring, he would say, "Okay, look, if you give me that work, I'll give you X amount."

And how often do you recall that occurring?---Maybe about three or four times, I think.

So, is this the situation that, with Mr Rahme, you've indicated that you believe there was one job Lancomm did – I withdraw that – one bill that Lancomm submitted where there was no work done at all?---Yes.

So that, in effect, you were permitting them to put in a false invoice and be billed for nothing at all?---Yes.

And you say that – do you say that you were getting something in return for permitting that to occur?---Oh, not at that time of (not transcribable) but actual physical works that occurred.

10 Do you say that in respect of the Lancomm work that was being done generally, that you were obtaining anything from Mr Rahme in return for it?---Yes.

What were you obtaining from him?---Mr Rahme would give me some cash.

And you say, though, that you never asked him?---No, I didn't ask him for it. He made a suggestion.

But you accepted it?---Yes, I did.

20 So that with the Alexanders and with Mr Rahme, you say that, on your version of events, you never actually asked for cash?---No.

But with each of them, they approached you and gave you cash?---Mr Alexander, definitely, and Mr Rahme suggested it.

And you accepted it?---I did.

30 But with the Alexanders you accept though that you asked them to pay for things for you?---I accept I asked them to pay for particular items in relation to the house.

And if we could go, please, back to the spreadsheet, page 54. Do you see the item across to the right, "November yet to be added in"?---Yes, Counsel.

And do you know what that – well, first of all, is that something you entered into the spreadsheet or something you believe the Alexanders did?
---Definitely not me, Counsel.

40 Do you know what that relates to?---No. I saw that the other day and I was perplexed. I don't know what it is.

You'll see it refers to "Alex." Are you aware of whether the Alexanders ever provided any form of benefit to Mr Dubois?---I, I wouldn't know.

Commissioner, is that a convenient time?

THE COMMISSIONER: Yes, is it. Very well. I'll adjourn until 2 o'clock.

LUNCHEON ADJOURNMENT

[12.59pm]