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PUBLIC
HEARING

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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 MONDAY 17 MAY, 2021

AT 10.00AM

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

THE COMMISSIONER: Yes, good morning.

MR DOWNING: Good morning, Commissioner. Just before I ask Mr Steyn to return to the witness box, there are some further documents to tender this morning, and there should be an up-to-date schedule in front of you with the tender materials.

THE COMMISSIONER: Yes, I have that.

10 MR DOWNING: The volume is starting at 11.3 through to 18.5, that I'd add to the tender this morning, and I understand that the updated schedule has also either been provided or is in the process of being provided to the interested parties.

THE COMMISSIONER: Yes, very well. Yes, the documents in the tender of materials scheduled bearing date 12 May, 2021, that is documents 11.3 through to 18.5 on the schedule will be admitted and they'll be respectively marked as exhibits, 11.3, 13.3, 13.4, 13.6, 15.1A, 15.2, 15.3, 15.4, 15.5, and the remaining volumes, 18.1 through to 18.5, numbered respectively from
20 Exhibit 109 through to 125.

#EXH-109 – BUNDLE A – PMD HISTORICAL SEARCH

#EXH-110 – VOLUME 11.3 SCHEDULE RMS PAYMENT TO AA STEEL

#EXH-111 – VOLUME 13.3 – LANCOMM PART 3

30 **#EXH-112 – RAHME – FINANICAL**

#EXH-113 – RAHME – KAFROUNI

#EXH-114 – VOLUME 15.1 MAINTENANCE PANEL TENDER CREATION

#EXH-115 – VOLUME 15.1A MAINTENANCE PANEL TENDER

40 **#EXH-116 – VOLUME 15.2 MAINTENANCE PANEL TENDER SUBMISSIONS CBF SEINA EURO**

#EXH-117 – VOLUME 15.3 MAINTENANCE PANEL TENDER SUBMISSIONS EURO OZCORP MASTERS AA STEEL

#EXH-118 – VOLUME 15.4 MAINTENANCE PANEL TENDER SUBMISSIONS EPMD LANCOMM

**#EXH-119 – VOLUME 15.5 MAINTENANCE PANEL TENDER
ASSESSMENT & CONTRACTS**

#EXH-120 – VOLUME 18.1 GALSTON GORGE PART 1

#EXH-121 – VOLUME 18.2 GALSTON GORGE PART 2

#EXH-122 – VOLUME 18.3 GALSTON GORGE PART 3

10 **#EXH-123 – VOLUME 18.4 GALSTON GORGE PART 4**

#EXH-124 – VOLUME 18.5 GALSTON GORGE PART 5

#EXH-125 – SUMMARY & APPLE SPREADSHEETS 1-4

MR DOWNING: Thank you, Commissioner. If Mr Steyn could return to the witness box, please.

20 THE COMMISSIONER: Yes, thank you, Mr Steyn. Good morning, Mr Steyn. Now if you just stand there, we'll have the affirmation administered by my associate.

THE COMMISSIONER: Thank you. Yes, Mr Downing.

MR DOWNING: Thank you, Commissioner. Mr Steyn, do you remember that towards the very end of your evidence on Friday, I was asking some questions about some, any work that Mr Manuel was doing and being paid through PMD in respect of?---Yes.

10

And do you recall I asked you about whether you may have had some financial interest in him, in effect, being in moneys in the sense that he was living with you at the time and if he wasn't earning something then you would have presumably had to meet his expenses?---Yes, Counsel.

And your evidence, as I understood it on Friday, was that that's correct that he was living with you, and I think you agreed that it would have fallen to you to meet his living expenses were it not for him earning something himself.---Yes, Counsel.

20

Now, was Mr Manuel in fact living with you at your [REDACTED] address throughout his stay in Australia, from early 2018?---Not entirely.

Is it the case that from early 2019 he in fact moved somewhere else?---He did move. I can't confirm the date but, yes.

Now, just to put it in context, is it the case that he was by himself during that period or did he have his wife with him?---Living at my place or the - -

30

Well, when he was in Australia. Thinking from when he was in Australia, was his wife with him then?---Not entirely.

Now, is it correct his wife's name is Sheila?---Yes.

And is Sheila Aleesha's mother or step-mother?---Step-mother.

Thank you. Is it your recollection that Mr Manuel moved to your home in [REDACTED] in early 2018?---Yes.

40

And from that period until 2019, was he there by himself or with Sheila for all of it or part of it?---Part of it.

Did he arrive at first by himself?---Yes.

And did she come later?---Yes.

So, for how many months, thinking about 2018, do you recall that Mr Manuel and Sheila were living with you?---I would be guessing if I say four or five.

All right. And then did they move somewhere else?---Yes.

Now, is it the case that in late 2018, early 2019, you and your wife Aleesha were looking for an investment property?---Yes.

10 And you bought one, correct?---Yes.

And if we could go, please, to volume 10.1B, page 102. Do you recognise that that's the address is Marsden Park that you bought?---Yes, Counsel.

And you'll see that this is a CoreLogic search in respect of it, and you will see if we go the next page, please, to page 103, it shows a sale price of \$758,000 and a sale date of 21 January, 2019, but with a settlement date of 25 February, 2019?---Yes, Counsel.

20 And that was you buying it at that time, wasn't it?---Yes, Counsel.

And it's a property you bought as an investment property?---Yes, Counsel.

So it was negatively geared, I take it?---I think so.

All right. When you bought it, is that the address that Mr Manuel – I'll just start with him – Mr Manuel moved to?---Yes, Counsel.

30 So he became your tenant?---Yes, Counsel.

And did his wife, Sheila, also go with him at the time?---Yes, Counsel.

And Mr Manuel then remained in Australia, didn't he, until about March, 2020?---I believe so, Counsel.

And did he remain your tenant at the Marsden Park address until that time? ---Yes, Counsel.

40 So he was paying you rent during that period?---To the – yes.

And do you recall what the rent was?---No, Counsel.

All right. If we could go, please, to – I'm going to ask that you be shown an email, please. Just give us a moment, You'll see that this is an email from your wife, Aleesha, to a Shaun Helleur, H-e-l-l-e-u-r, at Pinnacle Taxation. ---Yes.

Now, Pinnacle Taxation are your accountants?---Yes.

And you'll see that the heading is Steyn Tax Return, and it's 4 February, 2020. Presumably it was for the preparation of 2018/2019 tax returns?
---Yes.

And do you see that in the body of the email your wife indicates that Fernlea Crescent is currently being rented privately by a family member, Peter Manuel, and there are no agent's fees, direct deposit of \$1,000 PF, presumably per fortnight, is made by Mr Manuel?---Yes.

10

So, does that assist in what the rent was?---Yes.

And if we could – actually, I think I need to tender that separately because that's not part of any bundle of materials.

THE COMMISSIONER: Very well.

MR DOWNING: All right. We can tender that later. I apologise, Commissioner. If we could go, please, to volume 10.5A, at page 4. Now, you'll recognise this as a bank statement for Mr Manuel.---Yes.

20

And you'll see it's for December 2018 to June 2019. Indeed, you'll see it's addressed to the Marsden Park address.---Yes.

You'll notice that the account number, just dealing with the last four digits, ends with 7814.---Yes.

And if we could go, please, to page 5. I want just to look at two entries for me, please. First of all, on 15 March, you'll see a credit entry for \$1,000, and it's transferred from and it ends with number 7-8-2-2, CommBank. ---Yes.

30

So it's a payment in under the, it seems to have been given the description "rent".---Yes.

And then if you go down to 20 March, you'll see that there is a debit amount of again \$1,000, and it's "FNTLY", presumably an abbreviation for fortnightly rent.---Yes.

So do you agree that that appears to be the rent that seems to be being paid into a different account, presumably one of yours, by Mr Manuel?---Yes.

40

On 20 March.---Yes.

I think you've agreed that the fortnightly rent was \$1,000.---Yes.

So that would have meant 2,000 per month, roughly, allowing for the fact that there's slightly more than four weeks in a month.---Yes.

And therefore about 24,000, a bit more, per annum.---Yes.

As far as where Mr Manuel got the rent – sorry, I withdraw that. The money to pay the rent is concerned, I’ve taken you to the 15 March entry and noted that it comes from account 7-8-2-2. Do you know where he got the money to pay the rent?---No.

10 Well, just in that regard, could we go, please, to – I apologise, Commissioner. All right. You’re not familiar with what account that is, is that correct?---No.

That account number?---No, Counsel.

But can I take you, please – I’m sorry, Commissioner, if I could just have a moment. I’ve just lost a reference to a particular page.

THE COMMISSIONER: That’s all right.

20 MR DOWNING: If we could just go back, please. So volume 10.5A, page 4, which is the first page of that bank statement for Mr Manuel that I took you to for the account number ending 7-8-1-4. Do you see on that page, on 8 January, 2019, there is a \$1,000 credit into the account transfer from account ending in 2-7-6-0? Do you see that entry?---Yes. Yes, Counsel.

If we could now go, please, to volume 10.5, so not 10.5A, 10.5 page 71, you recognise that’s one of the PMD invoices I took you to last week?---Yes, Counsel.

30 And do you see in terms of the bank account details that are listed on that invoice, it’s a CBA account for PMD ending in 2-7-6-0?---Yes, Counsel.

So going back if we could, please, to 10.5(A), page 4. Do you see that on 8 January, 2019, it seems that that money that’s coming in as a \$1,000 credit into Mr Manuel’s personal accounts seems to be coming from the PMD CBA account?---Yes, Counsel.

40 So if we then go ahead, please, to page 5, you’ll see the first rent seems to appear there on 20 March.---Yes, Counsel.

And if we go over the page, please, to page 6, do you see on 27 March there is a credit in of \$1,000 from the same PMD account ending in 2-7-6-0? ---Yes, Counsel.

And it’s designated as “rent”.---Yes, Counsel.

And then on 3 April, the rent is paid in exactly that sum.---Yes, Counsel.

And if we go ahead, please, to page 7, you'll see again there are entries for rent every couple of weeks, so fortnightly rent.---Yes, Counsel.

And you're aware, aren't you, that that rent was paid through until the end of 2019?---Yes, Counsel.

10 In that regard, if we could go, please, to same volume, 10.5(A), page 23. You'll see an entry for Christmas Day 2019 on the same account, so Mr Manuel's CBA account ending in 7-8-1-4, the \$1,000 payment of fortnightly rent.---Yes, Counsel.

I'm going to suggest to you that over the period from March until December 2019, Mr Manuel paid a total of \$21,000 rent to you and your wife.---Okay.

In that regard, if we could go, please, to same volume, 10.5A, page 24. Do you recognise this as a statement for a joint account that you and your wife Aleesha hold?---Yes, Counsel.

20 And you will see that it ends in 8-8-0-9.---Yes, Counsel.

Is this a joint account that you operate – it's described – I'll withdraw that. It's an everyday offset account.---Yes.

Do you recognise this, this account and account number?---I don't acknowledge the account numbers or anything like that.

Who generally looks after the banking for the family?---My wife.

30 If we could go ahead, please, to page 25, do you see that on that page, on 14 Feb, there is a loan repayment? Or indeed, on 7 February, there's a loan repayment of \$1,000, then on 14 February another one for \$1,000, on 21 February, loan repayment \$1,000?---Yes, Counsel.

So it would appear that you've set it up to pay – the loan to be repaid on a weekly basis of \$1,000 a week.---Okay.

Well, do you agree with that?---Yes. Based on that, yes.

40 And if you then look on the same page, you will see that from 10 March, the first credit appears, being rent. Do you see that?---Yes.

And you'll see that there's then another payment at the bottom of the page, 20 March, which is, "Transfer from Peter Manuel, rent".---Yes.

So, looking at this, this appears to be an account, the account that you were operating in respect of this investment property?---Yes.

So, paying the repayments that were due in respect of the property?---Yes, Counsel.

And receiving income.---Yes, Counsel.

So, it would appear from this that the rent that you were receiving from Mr Manuel was going in and it was offsetting exactly, it would seem, half of the loan repayments?---Yes.

10 So, when I asked you last Friday about whether you had some financial interest in Mr Manuel receiving an income, you indicated at the time that he was living with you and it would fall with you to meet his expenses. I mean, that wasn't quite the full story, was it?---No, that's quite the full story, Counsel, because Mr Manuel had to, he wanted his own space to move out and his own place to live. So it was either rent a premises from somebody else or move into that premises.

But you actually had a direct financial interest in the sense that he was your tenant.---I've got a tenant there now. Pays the same amount of rent.

20

But in 2019, in effect, Mr Manuel is receiving income through PMD?---Yes,

But, in effect, you had to organise to assist – I withdraw that. You would organise for him to do work in respect of?---To gain some employment, yes.

And PMD was then being used by Mr Manuel to transfer money into his personal account?---As his wages, yes.

30

To pay rent to you and your wife?---To pay his living expenses.

So you had a direct financial interest in Mr Manuel being paid, correct? ---Counsel, if didn't matter if it was Mr Manuel who lived there or didn't live there, the place is rented, it's still rented today.

All right. But whoever it's rented to today, I take it's someone who is at arms-length and a tenant?---Yeah, I don't know them.

40

But the point is, in 2019, his rent enabled you to meet part of the mortgage you had on this property?---Oh, yes, Counsel. Either he lived there or he lived somewhere else and paid someone else.

Now, separate to the transfers that I've shown you coming into Mr Manuel's account from PMD, do you know where any other moneys that he had at the time came from?---No.

Now, late Friday you also gave some evidence in answer to questions I asked you about work that you indicated Mr Manuel was doing in about April/May 2018?---Yes, Counsel.

And I think it was at locations in Jerilderie and Narrandera that you indicated that you could recall that you were present and Mr Manuel was present as well?---Yes, Counsel.

And just in that regard, to assist you as to timing, if we could go to volume 10.5, page 72. You'll see that that's the 25 May, 2018, invoice for PMD, and that refers to work on 12 April, 2018, in Jerilderie and Narrandera?
---Yes, Counsel.

10

And then if we could go, please, to volume 10.5, page 82. So this is now on 8 June, 2018, PMD invoice, and again referring to work at Jerilderie and Narrandera but now on later dates, 30 April, 1 May and 2 May?---Yes, Counsel.

And just to put you in the context of what I asked you about Friday, they are the dates I asked you about and you indicated that they were the dates you can recall Mr Manuel being present at those locations and doing some work?---Yes, Counsel.

20

And you indicated in your evidence that you believed you'd taken some photos on your phone that would verify that?---Yes, Counsel.

Just in that regard, if we could go, please, to volume 14.1 and starting at page 179. Now, you'll see these are extracted messages from your phone, 14 March, 2018, which is a little bit earlier than the dates I've taken you to according to the invoices for Jerilderie and Narrandera. So the earliest of those dates was 12 April, but you'll see this is a 14 March, 2018 text and you'll see it's from you to your wife.---Yes.

30

Sent at 5.25am, it would seem.---Yes.

And you'll only see a small thumbnail photograph there, but if you read just for a moment the body of the message to yourself and tell me when you've done that.---Yes.

And if we could go, please, to page 206, which is a larger version of that image. Can you indicate, first of all, whether you recognise where that is?
---Yes.

40

Where is it?---I believe that'll be Tweed Heads.

So that's not Jerilderie nor Narrandera?---No.

And then if we could go back, please, to page 180. You'll see again the next message number 7 now, 14 March, 2018, although now at 10.49pm. So it seems that the earlier photo was from first thing that morning, and then this seems to be one late at night. If we could go, please, to page 207. So

this is the photo that you've sent under the heading Just Chilling. And it seems to be you at the worksite.---Yes, Counsel.

Again, as best you can recall, is that Tweed Heads rather than Jerilderie or Narrandera?---Yes, Counsel.

10 If we could go back, please, to page 180. Can I just get you, before I move to the date 12 April. If we could go, please – you'll see there's message number 9, 14 March, 2018. There's another message sent at 11.09pm. And you can't see the photograph well there. It's a small thumbnail. But if we could go, please, to page 208. I take it you recognise the man with the beard is Mr Dubois.---Yes, Counsel.

So he was also present at Tweed Heads.---Yes, Counsel.

Do you recognise - - -?---It's a Safe-T-Cam site.

Right, okay, so it was a Safe-T-Cam site at Tweed Heads.---Yes. Yes.

20 Do you recognise the other two gentlemen?---The one on the left is – I forget his name (not transcribable) right now, but he's the TIRTL specialist.

Within the RMS?---No, contractor.

Oh, contractor. Okay, thank you. And if we could go, please, to page 209. That appears to be, well, if I took you back to the thumbnail, it's the same night, 14 March, 2018. And is that Mr Chahine?---Yes, Hoody.

30 So he was there present working on that job as well?---Yes.

Do you recall who else was present? Was Mr Hadid there?---There were lots of people. Like, probably 50, 60 people on that job.

I take it that was a large job?---Yes. Normal job.

All right if we could go – I'm sorry?---Normal job.

40 Okay. If we could go back, please, to page 180. Do you see that after message number 9, 10, 11, 12, and 13 are all from 12 April, 2018?---Yes.

And that was the first date of the PMD invoice that was issued to Mr Duchesne in respect of Mr Manuel doing works at Jerilderie and Narrandera, if you'll recall that date.---Yes. Yes.

Can we then – you'll see the heading, not all of them have headings, but for message number 11, it was Outback.---Yes.

And message number 12, Our Working Conditions.---Yes.

And if we could go, please, to the photographs themselves rather than just those thumbnails, 210, if we could start there, that is the first of those photographs attached to messages you sent to your wife on 12 April. Do you believe that that is one that was taken at either Jerilderie or Narrandera?
---The, on the way to one of the sites.

10 All right. And if we go then, please, to page 211, then to page 212, and then to page 213, do you recognise those photographs as being either Jerilderie or Narrandera?---Without confirmation exactly, I'm guessing it could be Narrandera.

THE COMMISSIONER: Sorry, I can't hear you.---Sorry, Commissioner. Without exact confirmation, I'm guessing it could be Narrandera.

20 MR DOWNING: Now, I thought you'd indicated in your evidence on Friday that the photographs would demonstrate that Mr Manuel was present, or did you simply say that you had photographs to show that you were there and that the jobs were done?---I was there, I believe Mr Manuel was there, because the works involved.

Do we see Mr Manuel in any of the photos I've just taken you to that seem to be dated 12 April?---Not those.

If we go back, please, to page 181, you'll see that the first message on that next page, message number 14, is dated 5 May, 2018, and it's from Aleesha, your wife, to you.---Yes.

30 And if we go, please, to page 214, you'll see that it seems that she's sending you a copy of Mr Manuel's licence.---Yes.

Can you recall why it was she was sending you the licence?---I don't recall why.

All right. If you take it from me that they are the photographs that span that period from March to May 2018, do you believe you took any other photographs in respect of the works that you say Mr Manuel was there for?
---I believe I would have taken various pictures of the works.

40 Beyond what I've shown you?---I believe so.

Can we move beyond PMD then, and I want to ask you some questions now about the other company Peter Manuel Services, or PMS.---Sure.

Could we go, please, to volume 10.5, page 55. Now, this is an email from you to Mr Lord at Pinnacle Taxation on 25 June, 2018, correct?---Yes. Yes.

And Mr Lord was the accountant that you dealt with at Pinnacle Taxation?
---Yes, Counsel.

And the heading is Peter Manuel Services Pty Ltd.---Yes.

And you recall sending this, don't you?---Yes, Counsel.

10 And take a moment to read over it, if you want to. It does go over to the next page. Do you want to read through it just for a moment to familiarise yourself with it?---Yes, Counsel.

Now, just to assist you in terms of dates. I took you to the Peter Manuel Services – well, actually, I'm not sure I took you to it, but I will now, please, if we could go to volume 10.5, page 52. And that shows Peter Manuel Services was registered on 9 May, 2018.---Yes, Counsel.

And you're aware, aren't you, Mr Manuel was the director and shareholder?---Yes. Yes, Counsel.

20 So if we could go back to the email, please. Your evidence, as I recall it on Friday, was that initially PMS was set up with a view to Mr Manuel doing some work separate to whatever he was going to do with PMD.---Yes, Counsel.

But I think you acknowledged that, in effect, at some point after it was set up, you repurposed it.---Yes, Counsel.

30 Now, this email confirms that by 25 June, 2018, you were using it as a vehicle in which to receive moneys.---Yes, Counsel.

And it was moneys from contractors.---Yes, Counsel.

So do you say that in May 2018, when the company was registered, at that point it was set up, as far as you knew, as a company with which, well, through which Mr Manuel was going to do some sort of work?---Yeah, the intention. That was the intention.

40 And had you discussed with him, or perhaps your wife, Aleesha, what sort of work he was planning to do?---No, I don't think so, off the top of my head.

Well - - ?---It's just - - -

I'm sorry.---It was just general discussion between Mr Manuel and I that, you know, he had an option to do works.

Well, he was, as it turned out, through PMD, he was doing works beyond quality works, wasn't he?---Yes.

He was in fact doing labouring/contracting-type work.---Whatever, whatever work could, he could get his hands.

So did you have any sense of why Peter Manuel Services – I withdraw that – PMS was set up separately and why it was necessary?---It was set up with intentions of doing separate works and I could be involved and help. But it never ended up that way.

- 10 So you maintain that it wasn't set up with a view to you using it to receive payments from contractors?---No, it was set up, it was set up for legitimate opportunities but never ended up that way, as I said.

Well, if we could go to the body of the email. What you indicate in that, don't you, is in the first paragraph that you work for the State Government and you're not allowed to do secondary employment without written approval by the executive director.---Yes, Counsel.

- 20 Who was the executive director at the time?---Can't remember.

Well, you had obviously formed a view that that person wasn't the easiest person to deal with, consistent with what you said in the email.---Yes.

And you indicated that that person was likely to deny any request for any outside work or secondary employment, I should say.---Yes.

But you indicate in the body of the email, don't you, that in fact you had – as at 25 June, 2018 – already done some work?---Yes.

- 30 Now, was what you said in the bullet points there about the work you'd been doing accurate?---It is work that I was assisting.

Well, the first bullet point you say you “Assisted with the submission of a tender for the installation of mobile phone towers and conduits in New England and Tamworth, which were successful, and as part of a thank you, my client has paid some funds into Peter Manuel Services.”---Yes.

- 40 So who was the contractor that you assisted with the tender?---I believe it was Mr Rahme from Lancomm.

So did you actually assist him?---Yes, I have assisted him on several occasions.

But where you say in this email that as at 25 June, 2018, you'd assisted him with this particular tender for the installation of mobile phone towers and conduits in New England and Tamworth, and that he'd been successful, and that as part of the thank you that you received some funds into Peter Manuel Services, was that an accurate description of what had transpired with Mr

Rahme and Lancomm?---Off the top of my head, I had done some assistance. Some assistance.

I mean, wasn't it the reality that the money that had been paid into PMS by Lancomm had nothing to do with works you'd done assisting him with specific tenders in New England or Tamworth, it was simply a form of kickback in reward for the Lancomm work?---Yes.

10 All right. So, the next part you say, "Another company I assisted with some of his documentation for his business reviewing safety and quality paperwork so he could pay remuneration into Peter Manuel Services." Do you see the second bullet point?---Yes.

And who were you referring to there?---Mr Masters.

THE COMMISSIONER: Sorry, who?---Mr Masters, Commissioner,

Mr?---Masters.

20 Sorry, I can't - - ?---Masters.

Masters, yes.---Yes, Commissioner.

MR DOWNING: So from S A Masters, the electrician?---Yes.

Now, was that, what you described there, an accurate reflection of why money had been paid?---No, no.

30 Right. Again, it was a form of kickback that you had asked for in return for the work?---Yes, Counsel. Yes, Counsel.

So, by 25 June, 2018, it's correct, isn't it, that not only had you sought those payments but you had actually received them?---Yes, Counsel.

And indeed, you'd sought them and received them going back to May 2018, correct?---I can't remember a date, Counsel.

40 Is your recollection that it was very soon after PMS was set up that you actually utilised the company and its bank account for payments from S A Masters and Lancomm?---I would put my hand up and say yes, Counsel.

All right. Then the next bullet point you say you're, "Currently working with a company on a submission for works on the NBN program, and if he is successful in submission, there will be something in it for me." Who were you referring to there?---Lancomm.

So Lancomm again?---Yes.

And down below, under the bullet points, you indicate that, “PMS has and will invoices,” that looks like a typo but, these various organisations, on an agreed amount, including GST, and the date, with 26,404 in revenue. Do you see that?---Yes, Counsel.

And if we could go ahead, please, just in respect to the figure, to page 57. Do you see it’s using the Creative Service email, but it’s clear from the signoff that this is Aleesha sending it. Do you see that?---Yes, Counsel.

10 And it’s an email from Mr Lord at Pinnacle Taxation, dated 30 July, 2018. ---Yes, Counsel.

And you’ll see from the heading that it appears that Aleesha is seeking that Mr Lord prepare the BAS for the last quarter, for the April to June 2018 quarter, and providing him with various documents to assist with that? ---Yes, Counsel. I believe I asked him to send it, whatever needs to be sent off.

20 So I take it both you and Aleesha from time to time have used that creative.service@[REDACTED] email address?---It was primarily mine that I used and I would say, “The BAS needs to be done and you need to send this document sheet. Go on and send whatever.”

So if we go to the next page, you’ll see there’s a transaction listing for PMS.---Yes.

30 And you’ll see that it shows that there were credits of \$46,200 from Lancomm and three credits from SA Masters. So, payments of 10,400, 13,200 and 2,800.---Yes, Counsel.

And all of those payments that had been made were kickbacks from S A Masters and Lancomm?---Yes, Counsel.

Now, as far as the expenses that were included there, you’ll see that there’s an Avis rent-a-car Mascot debit.---Yes, Counsel.

There is a Sydney Airport parking debit.---Yes, Counsel.

40 And there is JB Hi-Fi at Chadstone debit.---Yes, Counsel.

As well as a payment fee. Do you see that?---Yes, Counsel.

And if we go ahead, please, to page 63, do you see that this is the invoice that relates – sorry – the tax invoice that relates to the JB Hi-Fi charge? ---Yes, Counsel.

And it appears that what you were doing was using PMS to pay for a MacBook computer for your eldest son.---Yes, Counsel.

So is this the case, that on this occasion, you didn't pay for it but you had PMS pay for it?---Yes, Counsel.

Whereas on other occasions you actually asked contractors like Mr Masters to pay for things, didn't you?---Yes, Counsel.

10 And if we go back to the PMS invoices, starting at page 60. You'll see that this is one of the invoices to Mr Masters, dated 21 May, 2018.---Yes, Counsel.

In the sum of 12,000 plus GST. But you know that each of the invoices that PMS issued were false in terms of description of work that PMS had allegedly done?---Yes, Counsel.

And just identify that one for me, please, if we go to the next page, page 61. That's 4 June, 2018. Again to S A Masters.---Yes, Counsel.

20 Then to page 62. That's an invoice for J&C Maintenance.---Yes, Counsel.

For 42,000 plus GST. So it appears that, in this instance, rather than billing Lancomm directly, the invoice is actually addressed to J&C Maintenance. ---It would appear so.

But you don't dispute, do you, that with all of the PMS invoices, they were nothing more than a device to disguise kickbacks that you'd received from S A Masters and Lancomm?---That's correct.

30 So that is it the case that once the money was paid into the PMS account, that – was it Mr Manuel or Aleesha then transferred it into one of the accounts that you and Aleesha operated?---No, I believe Mr Manuel used the funds to pay for some expenses of his.

So that he actually received the funds?---Yes.

He didn't give them to you?---No, he didn't give me any funds.

Didn't transfer them to you?---No.

40 Do you have any idea what he used the money for?---I believe there was something to do with his granddaughter. Would have been expenses, some of her uni stuff. And I think something to do with his wife's immigration or something, application.

But he didn't ever transfer any funds to you, as best you can recall?---As best I can recall.

Did he ever pay you for anything?---He might have paid for his granddaughter's living expenses. After he left, his granddaughter came and lived.

In your investment property?---No, she came and lived with me.

And what's the name of the granddaughter?---Bronwyn.

Bronwyn - - -?---Bronwyn Martin.

10

Did he at some stage buy a car from you?---Yes, he did.

What car was that?---It was a ute.

Your old ute?---Yes.

Like the ute you'd used previously?---Yes.

20

And do you know how much he'd paid you for it?---I think might have been about 25, 30,000 or something.

And how old was the ute?---2008. It only had 30,000 kilometres on it. It was hardly used.

So do you know where the money that he obtained to pay for the ute came from?---I think his personal, from my understanding.

30

THE COMMISSIONER: How much did you say he paid?---It was about 25 or 30,000 I think, Commissioner.

MR DOWNING: Do you know, sitting in the witness box now, when it was that he bought that from you, at what point?---I wouldn't be able to tell you exactly when.

But I take it it was during that period in 2018, when he was living with you? Or was it later when he'd moved out?---Yeah. I think when he was living.

40

And at that point, what were the sources of his income, as best you knew? ---I wouldn't be able to tell you exactly, but I believe he was working and he needed a vehicle to get to work in.

When you say working, do you mean the work he was doing through PMD?---Whether it was PMD – yeah, he'll be working through PMD, but working for various – because in his last time, last year, he worked for a private company.

So is that – well, who was the private company?---I don't, I can't recall, just, it was out in Riverstone somewhere. And that was, I think that was his last employment.

How close to his departure back to South Africa was that?---I can't tell you exactly.

But as best you can recall, was the time at which you sold him the ute during the period when he was doing work through, sorry, with Mr
10 Duchesne, through PMD?---Counsel, I couldn't confidently say yes.

Now, I want to ask you some questions about Mr Masters.---Yes.

Now, at any point did you ask Mr Masters to break up invoices so that when he was invoicing through S A Masters there was no individual invoice that was greater than \$50,000?---I don't believe I did. I don't - - -

You don't recall that?---No, I don't recall, Counsel.

20 Do you ever recall holding a view that it would be best if you kept his quotes under \$50,000?---To be honest I, I might have, but I don't recall.

One of the things that you did know, though, was that separate to works where there was a particular panel where you had to use people from that panel, so for things like the cameras used as part of the point-to-point, that for general contract work, if it was less than \$50,000 then you only needed to get one quote.---Yes.

30 So it would mean that instead of a quote that was \$55,000 where you needed to get – I withdraw that. Instead of a job with a price of 55,000, and you would need to get three quotes, if it was less than 50, then you only needed to get one quote.---Yes.

Did you ever suggest to Mr Masters that he could charge the RMS for a job that S A Masters was doing where there was no work done?---I think that it might, might, might have been the invoice page PMS.

40 So that he – just breaking that down, at the time that he was given the invoice or invoices to PMS, did you indicate to him that he could in effect charge the RMS to make it look like he'd done work to that value?---Yes.

To the full extent of the amounts that you sought that he pay into PMS? ---No. What happened was, you'd create a bucket, a bucket of money for activities, because some activity might cost you, for example, for him to attend a site might cost you \$1,000. So you don't create a whole contract for \$1,000. So you create a bucket of money which it was charged to, services were charged to that bucket. So, for example, if the bucket was \$40,000 and there might have been 15 jobs done over a period and equated

to the \$40,000, that's where the money would come from, for those activities. At the end of financial year, there might be money left over in that bucket.

I understand, but when it came to the invoices that PMS issued to Mr Masters, did you in effect say to him, where it related to money that you had in a bucket or not, that he could issue invoices - - -?---Yes.

10 - - - without doing specific work to cover the amount that he was then going to pay through S A Masters into PMS?---That was the balance of the bucket.

So, going back to the invoices that I took you to – actually, if we go back, please, to the transaction list inside volume 10.5, page 56. No, I'm sorry. 58. I apologise. My error. You'll see that the invoices there – and they're shown as credits so they obviously reflect payments.---Yes.

From S A Masters you have, all up, just over \$27,000. I think \$27,400 in invoices spanning 19 June to 21 June, 2018.---Yes.

20 And as best you can recall, did you have that money left over in the bucket of works?---Yes.

And you therefore allowed him to bill even though he didn't do any work? ---Yes.

To use that money up?---Yes, Counsel.

30 And if we go, please, to volume 12.2, page 264. Do you see, 31 May, 2018, there's a tax invoice for Mr Masters for 8,055 plus GST?---Yes, Counsel.

And if we go to the next page, please, you'll see an invoice for 16,200, also dated 31 May, 2018.---Yes, Counsel.

Looking at those, do they appear to be the invoices that you permitted him to issue where in effect no work had been done?---I can't confidently say yes. It might have been. I don't, what I'm saying is, I don't recollect them as being the actual invoices, but might have been.

40 All right. When you look at the two sums, if we go back to the bill before. So, when you add \$8,860, and then we go to the next page, to 17,820, it corresponds pretty closely, doesn't it, with the amount of the moneys that S A Masters paid to PMS?---I'm happy to, I'm happy to accept that. As I said, I'm happy to accept that, Counsel.

Now, separate to those moneys, did you also ask Mr Masters to do some work on your house?---Yes, Counsel.

And did that involve sometimes checking electrical works that you'd done yourself?---Yes, Counsel.

And sometimes doing some works himself?---Where I'd done it wrong, he would rectify it, yes.

Right. And do you recall roughly how many visits he paid to your house over the period of works on either the pool, the pool house or your house?
---Off the top of my head, Counsel, I would probably say about half a dozen.
10

And do you recall whether you paid him anything for that?---Yes.

Did you make some payment to him?---Yes.

Did he ask for some money?---I, I said to him, "How much do I owe you?" he said, "It's five." And I said, "No, no. I've got to pay you something for it." And he said, "Look, get 500 bucks and we'll call it even."

20 THE COMMISSIONER: I can't hear you. You're moving away from the microphone, I'm afraid.---Sorry. I can't get -- when the screen's on - - -

What's your answer again?---Sorry, can you ask again, Counsel?

MR DOWNING: I asked whether you'd paid something and you indicated that you had and I asked you then about what it was you'd paid and I think you can finish your answer, please, to the Commissioner.---Yes. It was about \$500.

30 It's the case though that, you understood, didn't you, that what you were paying was under what was the market rate for an electrician?---Yes.

Now, did he also provide, at your request, some equipment for the works done at your house?---Yes.

So things like downlights, other electrical pieces of equipment?---Yes.

And it's the case that you asked him to do that and he didn't pay?---Yes.

40 Now, it's also the case, isn't it, that over 2017/2018, you asked him to buy Apple products on a number of occasions?---Yes.

And this is the way it worked, wasn't it, that each time you would communicate with him what particular product you wanted?---Yes.

That is you'd let him know whether it was a particular iPhone model or an iPad model or something similar?---Yes.

And you would actually send him details of the specific product you wanted?---Yes.

He would then order it and either had it delivered to you or give it to you? ---Yes.

On some occasions they were products for you.---Yes.

10 On some occasions they were for other members of your family.---Yes.

And it's the case that you didn't ever offer to pay?---No.

And I take it you didn't offer to pay because you knew that he wanted to keep doing the work?---No.

Well, tell me why you thought he would be buying you Apple products? ---Well, I asked can he organise that. He said yes.

20 THE COMMISSIONER: I take it those Apple products were free to you. At no cost to you.---That's right, Commissioner.

MR DOWNING: The reason you asked him to buy them for you is, A, he was a contractor, correct?---Yes.

And, B, because you regarded it as, in effect, extracting the cost of him obtaining RMS work from you?---No.

30 Tell me then why you thought he would be a person who would be amenable to buying Apple products for you.---I asked him, "Can you organise this?" and he said yes.

But why? Why him?---Well, I'd built a bit of a rapport with him over time.

You were extracting a kickback from him, weren't you?---Okay.

THE COMMISSIONER: It was part of the price for continued work, was it?---Commissioner, it didn't matter whether he bought it or not. It was continued work for him anyway.

40 I'm sorry?---It didn't matter whether he bought it or not. It was continued work for him anyway.

But it was an incentive for him to give you these Apple products, for example, at no cost to you, as part of the price for continued work from RMS for him or his business.---I didn't view it that way.

But it was. Well, you understood that was – well, what other explanation could there be for him supplying you with these products for no cost to you?---Well - - -

Was he just a generous man or was he making it as a Christmas present or was he doing it in order to grease the wheel, if you like, just to keep the workflow coming through from RMS?---I can't answer on his behalf, Commissioner.

10 I'm sorry?---I can't answer on his behalf.

I'm sorry, I'm having difficulty picking up your accent sometimes.---I can't answer on his behalf.

No. But what was your supposition? What was your belief why he was motivated to do this for no money?---I asked him and he said, "Yeah, no problem, I can organise that." So if he had a view that - - -

20 No, I just want you to give me an honest answer to this question. Why do you believe he was giving you these Apple products at no cost to you? ---'Cause I asked him.

Pardon?---I asked for it.

Yes. And why do you think he complied with your request?---Well, I don't have a thought on why he complied.

30 You had no idea at all in the world. Is that what you're telling me?---No, I didn't say that. I said I had no idea why he complied. I can't answer on behalf of another person.

What was your belief as to why he was responding to your requests to supply products at no cost to you?---Maybe he believed, maybe he believed that it would be - - -

No, what was your belief why he was doing this?---I didn't have one. I asked for it and he said he can organise it.

40 Your honest answer is to my question - - -?---I asked - - -
- - - you do not know, is that right?---Yes.

Is that your honest answer?---Yes, Commissioner. I asked for it. I put my hand up. I asked for it, and he said he - - -

He was just a generous man?---He said, "I can organise that." I asked.

Just a generous man, you thought? Is that your evidence?---No, that's not my – I said I asked for it and I put my hand up. Yes, I did ask for it.

You asked for it, yes.---And he said, yeah I can organise that.

Yes. And why would he, in your belief, respond so generously to your request?---Maybe he thought he was looking after a customer.

10 No, but what is your honest belief as to why he responded positively to supply these products free?---I can't answer for him, Commissioner.

MR DOWNING: Mr Steyn, you say you asked him and he said he'd organise it. But he was doing more than organising it. He was paying for them. You knew that.---Yes, but organising, paying for it, yes.

So that when you asked him, you were abusing your position in getting a contractor to give you gifts.---Okay, yes.

20 And when it came to Mr Masters and the various products you asked him to buy, over the – I'm going to suggest to you that over 2017-2018, that you went to him on five occasions, with you specifying what products you wanted. Do you recall that it was a number of occasions?---I believe so. I don't recall how many.

Tell me if you recall getting these products and asking him to buy for them. First of all, an iPad, an Apple Pencil, and a keyboard?---Yes.

And was that for your son?---No.

30 Are you sure?---Yes.

THE COMMISSIONER: Who was it for?---I used it onsite.

Pardon?---I used it, Commissioner.

MR DOWNING: So if that product was shown as being registered with Apple to one of your children, would that surprise you?---Yes.

40 Do you recall whether, with that product, that you might have used it for a period and then given it to your son?---I, I can't remember. Might have, I, I, I wouldn't say no. I, I might have, I - - -

Can you explain how it might come to be registered in the name of your oldest son? That is, the iPad.---I might have used it and he might have used it for something.

All right. Separate to the iPad, the Pencil, and the keyboard, do you recall asking Mr Masters to obtain for you two iPhone 7s?---Two?

Two.---Might be one.

I'm going to suggest two. Do you recall who you gave the iPhone 7s to?---I think one of my sons was using one.

Did you perhaps give one to your dad?---My dad?

Is your dad Brian?---Yeah.

10

Did you give one to your dad maybe?---I don't recall, honestly, I don't recall, if - -

You - sorry.---If it's registered then perhaps I did, but I don't recall.

All right. You'll recall from a number of questions I've asked you about material that's been extracted from your phone that typically you had Galaxy phones.---Yes.

20

That is, Android and Samsung products.---Yes.

Is that what you've typically preferred to use?---No, just didn't have a personal choice, just at the time I had a, when Commission came over I had the Galaxy.

But why is it that with Apple products, you seem to want others to pay for them for you?---I don't understand.

30

Well, with Apple products, I'm going to suggest to you that you asked Mr Masters to buy a number of products for you.---Yes.

I'm going to suggest that with Mr Rahme you asked him to buy some Apple products on a couple of occasions.---Mmm, yes.

And I took you to the record from PMS showing that there it appeared that PMS paid for a Mac, another Apple product at that time for your son.---Yes.

40

What is it about Apple products that you seem to want others to pay for them instead of paying for them yourself?---Okay.

If there's no explanation, then - - ?---No, no, no explanation.

All right. Do you recall that separate to the iPhone 7s, that you obtained an iPhone 8, a case, some headphones, and a charging mat?---Yes.

And that was again something you asked Mr Masters to acquire?---I think so.

Do you know who that was for?---Don't recall.

Could it have been your younger son or your father-in-law?---Could have been either.

Do you recall asking Mr Masters to acquire some HomePods, some AirPods, a gimbal, and a drone?---Yes.

10 And do you know who they were for?---I think my son used them.

When you say your son used them, you gave them to your son.---Yeah.

What about an iPad Pro and some AirPods? Do you recall asking Mr Masters to acquire those for you?---Yeah, yes.

And do you know who they were for?---I think I used the iPad Pro.

20 I mean, you're aware, aren't you, that all up the cost of those various Apple products was quite a bit over \$10,000?---Okay.

Well, don't agree with me if you don't - - -?---Oh, no, I agree, because I don't know the value now.

But you know Apple products are expensive.---Yes.

And is it the case that in – or I withdraw that. Was there some reason that in 2017 and 2018 you were looking to Mr Masters frequently to buy Apple products for you?---No.

30 Was there any change in the workflow towards Mr Masters, currently S A Masters, in 2017/2018?---I don't recall any change.

As best you can recall, what was the flow of work to Mr Masters' company or his business, S A Masters, like, say, 2016 to 2019?---I think he did a lot of the Safe-T-Cam works.

A lot of?---The Safe-T-Cam works.

40 So was he getting more work that he had in earlier years?---I believe so. I think Mr Dubois used him more often.

And does that explain why in 2017 and 2018 you seemed to feel able to ask him to meet, first of all, the cost of a number of Apple products?---No. It was just, as I said, built a rapport over the time.

Well, it was more than a rapport, it was a relationship that you were exploiting for your own personal gain, wasn't it?---Yes. Yes.

So, do we take from the fact that there was more activity by you seeking either money or the payment of goods from Mr Masters in the period, that you were in some way gauging that against the amount of work he was getting?---No.

Now, when it came to you asking for Mr Masters to buy the Apple products, were you in any way setting that off against a bucket of money that you were able to have him invoice the RMS through?---No.

10 So that when it came to the S A Masters work, there wasn't a bucket of money that you needed to use?---No.

So that you weren't, in the same way that you described doing in your earlier evidence, you weren't using that to set-off and calculate the bucket of money?---No.

I want to take you back now to some of the work you were doing for – sorry – that Mr Rahme was doing through Lancomm. And if we could go, please, to volume 13.3, page 107. Now, on that day do you see that, starting with
20 the email halfway down the page, on 1 February, 2018, Mr Dubois emails Mr Rahme and requests a quote for underboring work for STC sites at Tweed Heads?---Yes.

And if you look at the top of the page, bearing in mind that the request for quote was dated 1 February and asked for a quote by the 5th. Do you see at the top of the page, on 20 February, Mr Rahme submits a quote to Mr Dubois but CC's it to you and also to a Danny Jelwan at Lancomm?---Yes.

30 For the Tweed Heads site. Now, first of all, it's correct, isn't it, that the Safe-T-Cam program was something that Mr Dubois was responsible for?
---Yes, Counsel.

So this wasn't one of your areas?---No, Counsel.

Do you know why Mr Rahme was CCing you in on this quote?---I was familiar with the works.

40 Right. But you were familiar with them in what sense?---With the activities that needed to happen on the project. So, earlier you brought up some images and I said that was the Tweed Heads site. That's what this job is.

Oh, that they were from the March works at Tweed Heads?---Yes, yes.

So you were there as well?---On the Tweed Heads, yes, in the photo you saw me.

And what were you doing in respect of that, given that it was a Safe-T-Cam job?---I managed the regional permits for the works. So when you go into a

region it's, you don't just go in and do works, you have to get permissions and work under the permits. To obtain the permits is not the easiest thing.

So is this the case, it was a Safe-T-Cam job under Mr Dubois' area of responsibility?---Yeah, he managed the work, the resources and everything. I managed the actual owners of the, shall we say, the area.

10 So you're in effect on the ground trying to make sure that you've got the necessary permits so that the work could be done?---And the work flows as per proposed schedules.

But acknowledging that this is a piece of work that Mr Dubois seems responsible for, did you have any interest in this job beyond just that role, in getting permits at the local level?---I assisted Mr Rahme.

Well, as to how you assisted him, first of all, if we could go to the next page, you'll see that the quote that was submitted on 20 February was for \$49,390 inclusive of GST.---Yes, Counsel.

20 Now, can you recall whether this was a job – notwithstanding it being one in Mr Dubois's area of responsibility – that you had determined was going to be awarded to Lancomm?---I think I spoke to Mr Dubois about it and he said he's got the experience to do the drilling.

He's got the experience to do the drilling?---The drilling.

And that's why you thought it was appropriate that he might get the job? ---Yes. And borers are hard to find, especially at that period.

30 So is this the case, that it's Mr Dubois's job but you'd suggested that it might be an appropriate one to give to Lancomm because they had experience in boring and you knew that?---Yes. He asked me, "Do you have anybody?" I said, "Yeah, Lancomm has experience in boring works."

Could there have been a more significant reason why – or I withdraw that. Could there have been another reason why you were interested in Lancomm doing the work?---Oh, he was a friend of mine.

40 Well, more than just a friend. This was literally, if you look at the time, February 2018 at the time J&C Maintenance is being set up, correct? ---Yeah.

And you have an interest in J&C Maintenance being in funds, if I can put it that way, through Lancomm getting RMS work.---Okay.

Well, do you – when say "okay" I'm not sure whether you're agreeing or disagreeing.---I didn't know where the funds would go.

Well, you knew - - -?---As far as I - - -

I'm sorry. Please continue.---Sorry. As far as I was concerned, Joe would do the work. Where it went from there, if it came to me, okay. If it didn't, okay.

When you say "if it came to you", I mean, you were asking Mr Rahme to make payments through J&C weren't you?---No, I don't think I was asking to make payments to J&C.

10

Through J&C?---I don't believe I was asking.

You say he was volunteering it, correct?---He had his methodology on how he would do things.

If we could go to volume 13.3, page 5, please. So bearing in mind that there was a request for quote on 1 February, and a quote submitted on 20 February. So page 5. You'll see this is a series of an exchange of texts between you and Mr Rahme. And if we start, please, at number 4. Do you see 1 February, 2018. It's a text from you to Mr Rahme at 3.12pm, indicating "In the morning we're looking at boring Tweed Heads, second, third week in March."---Yes.

And you're informing him, aren't you, of that job that's coming up?---Yes.

So that's at 3.12pm. And you'll see that Mr Rahme acknowledges that on the same day, also at 3.12.---Yes.

And going back, please, to volume 13.3, page 107. That is the actual request for quote from Mr Dubois to Mr Rahme. You'll see that that was sent same day but at 3.27pm.---Okay.

30

So, and that email was CC'd to you.---Yes.

So in effect what you were doing is just before the request for quote went out, you were letting Mr Rahme know that the work was coming up, correct?---Yes.

If we could go, then, back to page 5. Back to text number 6, please. Do you see that also on the 1st at 3.14, so just before the email goes at 3.27 from Mr Dubois with a request for quote, you actually say to him, "You need to get the ball rolling, mate."---Ah hmm.

40

And he confirms he will do. Do you see that?---Yes.

And do you see then in message number 8? 3.14, you say, "Alex will email the plan across in the next 10 minutes."---Yes.

And you know from the email I've taken you to that that happened at 3.27. That is the request for quote and the specs were sent.---Agree.

Can we then go, please, to message number 10, at the bottom of the page. So now the following day at 4.14pm. And it's you to Mr Rahme asking what happened.---Yes.

10 And if we go over the page, please. Read down from the top of the page, message number 11 to message number 21, and tell me when you've had a chance to do that.---Yes.

You'll see that over that period from the 2nd to the 8th of February, you were chasing Mr Rahme for his quote.---Ah hmm.

And you indicate, in message number 13, that you need to finalise it by Monday so you can raise the first purchase order.---Yes.

20 So you were keen to have the first purchase order for this Tweed job raised?---Yes. Mr Dubois was chasing for the works to lock it into the schedule.

But when you go down the page, do you see there that, in the messages, at number 20, Mr Rahme indicates that he'd spoken to the driller and he'd be receiving the quote tomorrow night?---Yes.

30 And then the following day – yes, thank you, sorry, I withdraw that. Message number 21. 8 February, 2018. Mr Rahme messages you and says he'll see you tomorrow, "Still no quote and he's not answering. I'll get a hold of him in the morning and at least work off a verbal at this stage." ---Yes.

Do you recall that, in fact, he wasn't going to do the drilling himself, he was getting someone else on a subcontract basis to do it?---I'm not sure but he did have a drilling machine in one of his subsidiary companies.

Well, I'm going to suggest to you that in respect of this job he was getting subcontractors from up around the Tweed area to do it.---Correct, correct, correct.

40 It wasn't him doing the drilling at all.---My apologies, correct. It was a company that was up around, 'cause it was more cost effective to use them than to float their machine from Sydney.

So thinking about it, you've indicated earlier that you had suggested that Lancomm be used for this to Mr Dubois because you knew him and he was someone that, in the past, had done the drilling for you.---Ah hmm.

In this case you knew well before the works were actually done, didn't you, that he wasn't actually doing the drilling himself.---On this job I remember him talking about somebody else doing it, now that you brought my recollection out of memory. I remember him talking about somebody, but he - - -

And do you recall that there was a delay in the process of him putting his quote in because he needed to get his figures from the person he was going to subcontract to?---May have.

10

All right. Is that a convenient time, Commissioner?

THE COMMISSIONER: Yes.

MR DOWNING: I can indicate I'll be about another hour. Sorry, it's about half an hour longer than I thought I'd be, but - - -

THE COMMISSIONER: Yes. Very well. I'll adjourn for morning tea.

20

MR DOWNING: Thank you.

SHORT ADJOURNMENT

[11.34am]

MR DOWNING: Thank you, Commissioner. Mr Steyn, just before the break, I was taking you to some of the documents in respect of the request for quote and then quote for the Tweeds Heads Safe-T-Cam job.---Yes, Counsel.

30

And you'll recall the request for quote was 1 February, 2018, that is, to Lancomm, and then the quote was provided on 20 February, 2018.---Yes, Counsel.

Can I take you now to part of the WhatsApp exchange between you and Mr Rahme? I've taken you part of this already, but if we go back, please, to volume 13.3, page 57. And I've taken you to part of this before, but this is what was extracted from your phone, well, in part your phone and in part Mr Rahme's phone, but a WhatsApp chat between you and him.---Yes.

40

You recall that you and he used WhatsApp from time to time?---Yes.

If we go, please, to page 58, and in particular I want to take you to the first of the messages on 9 February, 2018. Do you see that it's a message from Mr Rahme and it attaches a JPEG image?---Sorry, which day, Counsel?

So 9 February, 2018, 10.54. It's in 24-hour time, so 10.54am.---Yes.

You'll see it's a message from Mr Rahme and it attaches an image, and it's a JPEG file.---Yes, Counsel.

And if we could go, please, to page 74, you'll see that what it attaches is a screenshot, I'm going to suggest, from a Lancomm employee, Jennifer Rearden, of a quote that had been obtained from Australian Civil Underbore in an amount of \$18,000. Do you recall receiving that?---No. Can't recall.

10 Do you recall that Mr Rahme in this instance – I withdraw that. Just before the break, I think you agreed by reference to the texts that Mr Rahme had indicated that there was a delay in putting his quote in because he was getting the driller to provide a quote.---Yes.

20 And I'm going to suggest that in the course of the period before the quote was actually submitted, you received this image via text – sorry, I withdraw that – via WhatsApp, showing that a quote had been obtained from Australian Civil Underbore for \$18,000, including travel and accommodation but with, you'll see, some scope for some variation depending on rock type.---Yes.

You recall, don't you, even if you don't recall the specifics, that Mr Rahme forwarded you, or in this – I withdraw that – that someone at Lancomm forwarded you details of the quote that had been obtained?---Okay.

Do you recall that or not?---No, I don't recall that but I accept.

All right. Do you recall whether this was for the Tweed Heads job?---I don't recall it, Counsel, but I would accept, yes.

30 If we go back, please, to page 58, same volume. And if you go down the bottom, please. So I took you to a message at 10.54, where Mr Rahme attached that screenshot. Do you see at 10.55 he sends you a message saying, "I think they are bloody expensive"?---Yes.

And do you see then, 9 February, 2018, two minutes later, you message him and say, "Submit a quote for \$45,000 this morning, please. That covers the small civil trenching as well. Try for a little better deal so J&C has more profit."---Yes.

40 What you were referring to there was this job, wasn't it?---I would argue.

Well, looking at it, what you were saying to him was, having seen the quote from the subcontractors, Australian Civil Underbore, I'm going to suggest, at about \$18,000, with scope for variation, that in fact he should submit a bill for \$45,000?---I won't argue.

You were also suggesting, weren't you, that that would hopefully cover the small civil trenching work that you knew needed to be done as part of this work?---I would say yes.

And you were also suggesting that in saying, "Try for a little better deal so J&C has more profit," you were suggesting that, in effect, he should go back and try and do a better deal with the subcontractor so that there was more money leftover that then could be paid from Lancomm to J&C?---I wouldn't argue.

10

Do you recall what it was that led you to come up with the \$45,000 price? ---No.

Did you understand at this point that Mr Rahme, through Lancomm, wasn't actually going to the works himself?---If he's getting a contractor, yes, then he, he would still have to manage it, the contractor.

20

Well, did you understand though, based on what he had told you and what he'd sent you, that he was going to subcontract this job?---The actual physical boring, yes, but I thought he was doing the trenching himself with his resources.

Well, we'll come to that, but what – I know this is not your job in the sense that it's Mr Dubois' project, the Safe-T-Cam. That's correct, isn't it?---Yes.

But you were involving yourself pretty heavily in the process of Mr Rahme, through Lancomm, getting this contract, weren't you?---Yes.

30

And weren't you suggesting here that, in effect, Mr Rahme should significantly overcharge the RMS for this job, which he, in effect, was just going to manage someone else doing the work?---Yes.

Now, if we could go, please, to volume 13.3, page 107 and 108. That's the email again, at the top of the page, submitting Mr Rahme's quote for Lancomm on 20 February. And if we go to the next page, it's the amount of \$44,900 plus GST?---Yes.

So, it's very close to the price you'd suggested that he submit?---Yes.

40

Can we go, please, to page 111 and 112. 111 first, please. And you'll see that this is the RMS form that is created where there's to be contract creation or variation?---Yes.

And you'll see that this refers to this particular job, the Tweed Heads underboring?---Yes.

In the sum of 44,900?---Correct.

And if we go over the page, you'll see that the requestor in this instance is Mr Dubois on 20 February, and you're the person that gives delegated approval.---Yes.

Do you know how you came to be the person providing approval in this instance?---Might have been doing the role.

Sorry?---Might have been doing the role.

10 If we could go back, please, to page 62, which is the WhatsApp exchange. And to the message on 1 August, 2018, at 1749. Do you see that? About seven messages down from the top of the page. Do you see – well, sorry, it's the second of the 1749 messages. Do you see that?---Yes. Yes.

Mr Rahme. And it reads, "Craig, got a resource booked in for Tweed Heads to start on 12 March, 2018. His price is 16,500. Includes all trenching, boring, plus instal of pits. The only additional expenses that Lancomm will be supplying him with the pits."---Yes.

20 And you understood that – well, I withdraw that. Do you recall that communication now?---No, I don't recall here but I'm reading it. Yes, it happened. I don't recall.

Well, you had earlier asked Mr Rahme to try and get a better deal with the subcontractor in respect of the subcontractor work.---Yes.

So there'd be a bit more profit for J&C.---Yes.

30 And do you recall, looking at this now, that he was successful, that he found someone who could do the job – including the trenching part of it, boring and installation of pits – for a better price?---I'm reading it, yes.

So that where it was \$18,000-plus previously, by 1 March you'd been able to find someone and book them in at 16,500.---Yes.

Subject to just paying something extra for the pits.---Yes.

40 And do you see he also indicates there that the – I withdraw that. And you see same day at 1750, a minute later, you say to lock him in.---Yes.

And 1751, Mr Rahme reminds you that the other guy wanted 18,000 plus, which didn't include the trenching and instal of pits.---Yes.

So a saving of minimum \$3,000. You see that?---Yes.

And then a minute later you say, "Okay, work out all our cost and the cost of flying Lancomm rep up. Accommodation, meals and car hire, et cetera. Good stuff, mate."---Yep.

So you wanted him to work out precisely what it was going to cost Lancomm now that the subcontractor had been locked in.---Yes.

With a view to maximising the profit available to J&C Maintenance.---No, but okay.

Well, Mr Steyn - - -?---I didn't have a view.

10 - - - you don't have to agree. Tell me why it was you wanted him to work out all of those costs, the flights, accommodation, car hire, et cetera?
---Work out his costs. Work out his costs.

Well, you say, "Good stuff, mate." What was it that you were congratulating him on?---He managed to lock the work in.

Well, in this instance, he's locked it in at a better price.---Yes.

20 But not a better price as far as the State of New South Wales was concerned, was it?---Okay.

Well, Mr Steyn, you don't have to agree, but you told him to bill at \$45,000.---Yes.

So that to the extent he was able to negotiate something better with the subcontractor, it didn't mean any better deal for the RMS. It meant a better deal for you. Correct?---I can't – no.

30 You disagree?---No. No better deal for RMS.

It was a better deal for you.---Yes.

All right. If we could go to volume 13.3. Same volume, page 115. You'll see a series of emails, starting on 5 March, initially internally from a Jennifer Rearden. You knew that that was someone at Lancomm, correct?
---Yes.

And Mr Rahme. But in respect of the pits.---Yes.

40 And do you see that on the 5th Mr Rahme gives Ms Rearden your details?
---Yes.

And do you recall that you were then copied in on communications about trying to obtain suitable pits?---I'm reading that, yes.

And if you go back, please, to 114, if you look at the email starting at the lower part of the page and going up, do you see that ultimately type 66 was

proposed and you indicate on 5 March, "Sold," indicating agreement that they could be used?---Yes.

And if we go back, please, to page 62, same volume, and do you see on 5 March, 2018, at 16.19, Mr Rahme sends you another JPEG?---Yes.

And if we go, please, to page 78, that's the JPEG. You'll see, from 5 March, 2018, a purchase order in respect of the type 66 pits, showing that the total cost to Lancomm for those was \$3,396.25.---Yes.

10

Do you recall receiving that now from Mr Rahme?---Don't recall it, but happy to accept it.

Now, do you recall that the work was then approved and done?---Yes.

And if we go, please, to same volume but page 118, you see it's the purchase order creation dated 8 March, 2018.---Yes.

20

And it's in respect of this job, isn't it, the Tweed Heads underboring at 44,900?---Yes.

And if we go then back, please, to page 63, and do you see you send, at the top of the page via WhatsApp, Mr Rahme certain images? Do you see on 13 and 14 March, 2018 you send certain images?---Yes.

And do you recall that I took you earlier to some images that were extracted from your phone, and you identified them as being of the Tweed Head works?---Yes.

30

In this instance though, you were sending them to Mr Rahme, it's because he wasn't actually there on the site, was he?---No, he never went to the site.

So his subcontractor was doing the work, and he wasn't actually in Tweed Heads.---His, his employee.

Who was his employee?---Dean.

Dean. All right. So Dean's role was to supervise.---Yes.

40

With the entirety of the actual underboring works being done by the local subcontractor.---In this occasion, yes.

All right. Now, do you recall that there was then a bit of an issue in respect of the works that were being done up there?---I think there was.

Do you recall at one stage asking that Mr Rahme hold off paying the local contractor because of a concern about a particular piece of equipment that had gone missing from the site?---Vaguely.

So we're on page 63. Have a look at a message, 14 March, 2018, 11.59, so down the page further, please. Sorry, you'll see 11.59, it is in the middle of the page. Do you see you ask for the driller's business details, at 11.59?
---Yes.

And you ask for address, and then Mr Rahme sends you a JPEG at 1.12. Do you see that?---Yes.

10 And if we go, please, to page 82. Do you see it's a screenshot of the actual – and if we just enlarge it slightly, please – the quote from Ra Drilling on the Gold Coast?---Yes.

And it was for this job? That is for the Tweed Heads underbore work.
---Yes.

And you'll see that the total price, inclusive of GST, was \$23,380.50?
---Yes.

20 And the reference is, "RMS Tweed Heads."---Yes.

Do you recall learning through Mr Rahme that this was actually who had been subcontracted to do the entire job?---He might have.

What I'm suggesting, going back to the WhatsApp chat, is that this is what Mr Rahme sent you at the time when you asked for the details?---Yes.

If we go back, please, to page 63, and you'll see, after you send that image – I withdraw that. After Mr Rahme sends the screenshot of the Ra Drilling
30 bill, at 1.17, you say, "Do not pay until you and I discussed. Tell him you're awaiting RMS to pay you. We believe he pinched a boom lift. We're checking all cameras along the highway for footage to supply police. He is the only idiot onsite. All his blokes apparently were very good." I won't read the rest. But do you recall having that issue?---Yes.

And at the end of it you say, "I told Dean to measure out all the works for payment." So Dean was the local employee of Lancomm?---Lancomm, yes.

Now, if we go, please, to page 121, same volume, you'll see that on 26
40 April, Mr Dubois sends to Mr Rahme, but copies you, the purchase orders for various jobs.---Yes.

And one of them is the Tweed Heads job, the 44,900.---Yes.

And then if we go to page 122. So, on 26 April, so later that same day, Lancomm submits the invoice for the Tweed Heads job.---Yes.

And if you go to the next page, please, 123, the invoice was within \$100 of what you had told Mr Rahme that he was bill?---Yes, Counsel.

So, in this instance, you had, despite it not being your job at all, you had essentially engineered an outcome where Lancomm would get the job?
---Yes.

And you did it in an instance where you also set the price?---Yes.

10 And you did so after getting an early quote from a subcontractor that let you know roughly how much it was going to genuinely cost?---Ah hmm.

And what you suggested was more than doubling that price despite the fact that Lancomm was going to do no more than send an employee to supervise someone else doing the work?---Yes.

And the reason you did it was to maximise the money that was available to J&C, correct?---To Mr Rahme and I.

20 To J&C and then for Mr Rahme and you?---How Mr Rahme, how Mr Rahme filtered it, I had no, I, to, I put my hand up to him and I, yes.

You say he was the one that ultimately called the shots as to how the money was paid out of J&C?---Correct. Out of Lancomm to J&C to wherever.

Right. So, this was one of the instances of you getting yourself involved in works that weren't actually yours at all, they were Mr Dubois' but with a view to assisting a contractor to overcharge?---Yes, sir.

30 And to use the excess that it did charge to pay, in part, benefits to you?
---Yes, sir.

THE COMMISSIONER: Sorry, what's your response?---Yes, sir.

MR DOWNING: In this instance, given that it was Mr Dubois' job, was he aware of what had transpired between you and Mr Rahme in terms of setting the price and inflating the price?---I don't believe so.

You didn't tell him?---No.

40

Wasn't it something that you understood he was doing as well?---No.

You didn't believe that he was doing that with his contractors?---No. Never, never discussed with me.

Is it something that you assumed he was doing?---In hindsight, yes.

Now, with Mr Rahme, it's the case, isn't it, that going back some years, you sought benefits from him, correct?---Yes, yes.

And do you recall, thinking about your work at the RMS, or RTA starting in 2009 and then the RMS, when is your first recollection of when you sought a benefit from him?---Wouldn't be able to be exact.

Now, if I could ask that you go to volume 13.7, page 72. And you'll see that these are text messages between you and Mr Rahme.---Yes.

10

And you'll see that on 12 October, 2012, so just to put you in context of where we are, the questions I've been asking you to date were involving works in 2018. This is right back in 2012. Do you see message number 55? You ask Mr Rahme to go online at the Apple store and place an order and pick up from the store on delivery. And you indicate there's an Apple store in [REDACTED].---Yes.

And that was the local Apple store near where you lived.---Yes.

20

If we could go, please, to page 73. Message number 57. So you see now on 13 October, the following day, you chase then as to whether he'd placed the order with Apple.---Yes.

And then message number 58, do you see that Mr Rahme indicates that he'd order the products that afternoon sometime?---Yes.

Now, if we could go same volume but to page 2. Bearing in mind that that was a message on 15 October. You'll see that this is a credit card statement for Mr Rahme.---Yes.

30

And you'll see it's got a due date of – I withdraw that. The statement period is 5 November, 2012 to 3 December, 2012. You see that?---Yes.

And if we go to page 3, you'll see on 5 November, 2012, there are two purchases with Apple online store Sydney, one for \$899 and one for \$1,898. See that?---Yes.

And do you recall that what you were asking him to get for you at the time were two iPhones?---I don't recall.

40

Do you know what you ultimately received from him?---Off the top of my head, Counsel, I think he changed his phone and my phone.

Sorry, he - - -?---I think he changed his phone and my phone.

When you say "changed", what do you mean?---Yeah, upgraded his phone and my phone.

So do you believe, perhaps, one of them was for him?---Yes.

Could it be that you asked for two and he gave you two?---I don't recall getting two.

All right. If we could go, please, to page 77, and you'll see message number 74 from Mr Rahme, indicating "Phones are in." I mean, part of the message, but message number 74 - - -?---Yes.

10 - - - 8 November, 2012.---Yes.

And if we could then go, please, to page 78. Message number 79. You see on 9 November, 2012, Mr Rahme indicates he'd be in the office at 4 o'clock that day and he'd have the phones for you.---Yes.

And if you go then, please, to page 79, message number 80. You indicate, and this is again on 9 December, 2012, three minutes after Mr Rahme's message, "Okay, how do we do this one? See you at 4.00. You need to give me the quote for Mount Ousley."---Yes.

20

Now, first of all, you arrange to go and meet him at his office to pick up the phones, correct?---Phone, I think.

In the course of the messages from Mr Rahme, he does use the plural. Do you disagree that there were two that were provided to you?---Yes. To the best of my recollection.

30 But going back to the content of your text, what were you asking in terms of "How do we do this one?"---Counsel, with all respect, it's 2012. I can't recall that.

Looking at it now, and if you can't assist, please tell me, but do you think you might have been asking how you arrange for Lancomm to bill in a way that would cover the cost of the phones?---I can't recall that.

40

You do say, "You need to give me the quote for Mount Ousley." Do you think perhaps the reference to Mount Ousley was a reference to a quote that you were suggesting that he might build the cost of the phones into?---I can't recall that.

But you maintain as best you can recall that he kept one phone for himself but gave you one.---Normally he would do that.

And do you know who that phone was for?---It would be himself.

Sorry, you say normally he would do that?---Normally, if he, if he got a phone, upgraded the phone, he would say he's getting his phones upgraded.

And what, you'd say, "Well, get me one as well"?---He'd say, "Oh, I got a spare one," or if he doesn't, he doesn't.

So is it the case that whilst you recall that normally that's what happened, he would upgrade and you get one - - -?---Upgrade, the latest and I'd upgrade to the latest, and - - -

But you can't recall this instance now, acknowledging that it's 2012.
---Yeah. If I could, I'd be happy to assist.

10

As far as works on your home are concerned, back when you were doing the work in respect of your pool and pool house and then your house you were getting him to do some works, correct?---Yes.

And if you could go back, please, to page 73, do you see message number 59, on 18 October, 2012, you actually say, "When can you complete the bore at my house, dude?"---Yes.

"Sooner rather than later would be appreciated, please, mate."---Yes.

20

So that's the underbore that he did to put in a – is it a pipe in order for electrical services to be put in later?---Correct, yes. Utility services.

Sorry, utility services. And if we go, please, to page 77, back to message number 73, so you'll see on 8 November, you actually ask him about help with the following bits of equipment, don't you?---Yes.

And they're pits, elbows, collars, bushes, et cetera.---Yes.

30

So I take it they're bits of equipment that you needed for the purposes of your works.---Yes.

And indeed, message number 74, Mr Rahme actually, as well as confirming that the phones are in, he asks you what the materials are for.---Yes.

And you confirm in 75, on 8 November, 2012, for work at your home.
---Yes.

40

And you explain you need him to run comms to the back P50 around pool and yard for speakers, P20 pits for between buildings.---Need him or I need to?

Well, you indicated that that's the nature of the work that was to be done at the house, correct?---Yeah, I did the work. Yeah.

Right, but you wanted him to provide the equipment for it.---Yes. Conduits.

And it's the case, isn't it, that he paid for each of those bits of equipment?
---Mmm, yes. Yes, that's in, in the yard.

All right. Just back on the phones that I've asked you about, please, if we could go to page 122, same volume, and to message 234, do you see that this is a message from Mr Rahme to you about the phones?---Ah hmm.

10 And read that to yourself, please. Does that assist now as to whether you received two phones in this, as at late 2012?---No, I paid for the iPhone, for iPhone 5. Not five iPhones.

Well, what you're indicating, aren't you, is that you paid for it on the previous project.---Yeah.

So weren't you indicating that, in effect, that the last contract that Mr Rahme had done had provided him with the money that had met the cost of the phone?---May have.

20 And you also indicate, don't you, that the other ones you'd take off your kids and return to him?---Other what, sorry, Counsel?

Well, was that a reference to the phones, phones that you'd already got from him earlier that year? Sorry, late the previous year, 2012?---No, it's a reference to one phone.

So the – you don't know what the others refers to? You don't believe that's to your phone, to the phones that he'd provided?---He provided one phone, best of my recollection.

30 Now, Mr Steyn, I want to ask you about a different topic now. And do you recall that in 2017 within the Heavy Vehicle Section that you worked in, there was a Maintenance Panel that was created?---Yes, Counsel.

And thinking back now, do you recall what the background was in terms of how it came to be created?---Off the top of my head it was because regular suppliers who have been used, it was suggested to create a panel for those suppliers that were regularly used, to prevent establishing contracts for every purchase order.

40 So is the way it worked before the Maintenance Panel that you had different contractors that were doing fairly regular work within the section?---Same contractors.

And that included, from your point of view, Mr Masters and S A Masters, Lancomm - - -?---Yes.

- - - Mr Duchesne, to a lesser extent, through M&M.---Yes. Yes.

But also Mr Dubois' side of things, there were the companies controlled by Mr Hadid and Mr Chahine.---Yes.

So CBF and, earlier, prior to that, Complete Building Fitout.---Yes.

Also Ozcorp Civil.---Yes.

And Euro Civil.---Yes.

10 And also some companies controlled by Mr Alamadine.---Yes, I think so.

You remember there was Seina Group?---Yeah, something like - - -

S-e-i-n-a?---It's Siena or - - -

Siena? I'm not sure of the pronunciation. But that company, earlier than that there was Areva Corp.---I didn't know about them.

20 Not familiar with that one?---Yeah.

If you could just try and keep your voice up, please.---Yeah, I don't, sorry, I didn't, I'm not familiar with Areva Corp.

And what about EPMD?---Not familiar with them.

But is it fair to say that they were the companies that you were aware of, either on your side of things or on Mr Dubois' side of things, who were doing regular works in the heavy vehicle sphere?---Yes.

30 And was the idea that, as things stood, before the creation of the panel, that each time you wanted to get them to do work, you had to create a new contract?---Yes.

So that there was some red tape involved in that process?---Yes.

So is the idea that with the Maintenance Panel you would in effect have an overarching contract?---Yes.

40 And that within that contract, instead of them having to go to market and create a new contract each time there was a job, you could just issue purchase orders?---Not really market. Just saves you going out to find, to seek resources.

But what was intended, as you understood it, to be achieved by creating this panel, then?---It was a pool of resources which you can go to and engage to do the work in a shorter period.

So it was more efficient?---Yes, time efficient.

And it would mean that there was less of the paperwork involved in the creation of an entirely new contract each time.---Yes.

So that there would be one overarching contract, and under that you could issue purchase orders.---Correct.

And work would then be undertaken?---Correct.

10 And I take it then it meant that for that regular work that would be done in respect of the Heavy Vehicle Programs, that it was those companies that were on the Maintenance Panel that would then be the companies you would go to get the work done?---Yes.

You wouldn't need to go outside that, for instance, to go and get three quotes et cetera?---Oh, you go, no, you go to the panel and get three quotes or other panels.

20 Now, do you remember in terms of background who came up with the idea of the creation of the Maintenance Panel?---I believe it was discussed with the contracts manager, Mr Chris Evans, and he suggested, "Well, you guys need to put together a panel if you're regularly using those resources." Then it was suggested to Mr Samer.

But who suggested it? Who was the first person that came up with the concept?---Mr Evans suggested, "If you're regularly using those resources, then you need to put a panel together instead of having to a contract all the time."

30 But it did make it easier to engage contractors once the panel was in place? ---Yes.

And thinking back, were you – I withdraw that. It's correct, isn't it, that when the panel was ultimately created, that there were two categories of contractors within it?---Yes. Category A and B, I think.

With A, they were contractors that were doing maintenance work in a general sense on Heavy Vehicle Branch assets?---Sorry, I, I don't, I can't remember which is A and which is B.

40 All right. Take it from me, B are contractors who do work on specific mechanical aids to do with heavy vehicles, like weigh-in-motion devices or scales et cetera.---Yes. That's category B, you say?

Category B.---Then yes. Category A was more to do with the civil works and the - - -

So things like civil works, structural work, signage works?---Electricals.

Sorry?---Electricals, maintenance.

And it was that area that really fell under the responsibility of you and Mr Dubois?---Yes.

So it encompassed things like programs that related to heavy vehicles, such as Safe-T-Cam?---Yes.

10 Average-speed cameras?---Yes.

Point-to-point?---Same thing, yes.

And also work at the various locations that were the HVSS or HVCS, the checking stations?---Yes.

And it's correct, isn't it, that you were one of the early promoters of the idea of the creation of the Maintenance Panel?---No. I took it to Mr Samer and he said to look into it.

20

Well, when you say you took it to him, do you recall that you were someone who, early in the piece when it came to the discussions that ultimately led to the creation of the panel, suggested to Mr Soliman and others that it might be something that was worthwhile pursuing?---I spoke, I said, "Mr Evans had a discussion, he suggested that we do that." I said to Mr Samer that I'd spoken to the Contracts Branch, and to reduce some of the paperwork, they reckon we should look into that.

30 Can I ask that you have a look, please, at volume 15.1, page 1? And you'll see that this is an email from you on 14 July, 2017, to Mr Soliman, but also to Mr Dubois?---Ah hmm.

Also to two other - - ?---That's the team.

So, Theepan Thevathasan?---Theepan, yes.

Theepan. And what was Theepan's position?---I think he was systems, managed systems, heavy-vehicle systems.

40 In your same section?---Yes.

And then Jai Singh?---Yes.

And what was his position?---I think he was the business analyst.

Now, take a moment to read over the email yourself.---Ah hmm.

If you can just read down through it.---Yes.

Without going through all of it in detail, you raise in this email, don't you, the idea that there may be some benefit in creating a panel with the resources to do work in the heavy vehicle sphere?---That's right. After discussion with Mr Samer, he said put some, some things in a dot point and send me a email, which is what I did, send it to the team, so we can discuss.

And is it correct that after you sent this email, there was a series of meetings through the second half of 2017?---Might have been.

10

Well, involving Mr Soliman, Mr Dubois, you.---Quite possibly.

Also Theepan and Jai, do you remember them being present?---Yes, yes.

And do you recall also that there was some external input into the process? Do you remember that?---External?

Do you remember someone from WSP Australia?---Yes.

20 A Nathan Chehoud.---That's a, yes.

And did WSP Australia also have some involvement in assisting with the creation of the documents for the Maintenance Panel?---I believe so.

All right. Now, in respect of meetings, have a look, please, at volume 15.1, page 6, and you'll see it's a record of a proposed meeting at the Octagon building for 1 August, 2017, but involving Nathan Chehoud at WSP but also you and Mr Dubois.---Yes.

30 And if you could have a look, please, at the same volume but page 3, bearing in mind that that's a meeting for 1 August, 2017, do you see the day before on 31 July, you send Mr Dubois an email with what's described as a resource matrix?---Yes.

And it's a spreadsheet, you'll see from the attachment.---Yes.

40 And if we go, please, to page 4 and then page 5 – sorry, and we'll just have it rotated so that you can see – was this a listing of resources that did work in the heavy vehicle sphere that might ultimately be resources that would be put onto the panel?---Might have been, Counsel.

Well, have a look across the top. You'll see there's a number of companies there that names would be familiar to you, so AA Steel Piping.---Yes.

It's described as Auscorp, A-u-s-c-o-r-p, but Ozcorp you knew as one of the companies that Mr Chahine and Mr Hadid operated, correct?---Where do you see that, sorry, Counsel?

Across the top, so AA Steel Piping.---Yes.

Then about four across it says Auscorp, A-u-s.---Oh, yes, yes.

CBF, you knew, correct?---Yes, yes.

I think you said Euro Civil – sorry, I withdraw that. I think you said EPMD you didn't remember?---No.

10 Euro Civil.---Yes that sounds familiar.

Lancomm.---Yes.

M&M.---Yes.

And also S A Masters.---Yes.

And Seina.---Yes.

20 So this appears to be a spreadsheet that you prepared.---Yes.

Do you recall what it was you were intending to identify on this document?
---I think we were just discussing, and looked at the activities, if you go down the page, the different tasks, the activities.

And the companies that might do them?---Companies that, and, we, in, because we sat in an open office, people were just bouncing names off.

30 All right. And if we go, please, to the next page, to page 5, you'll see again across the top this time there's the description of different types of works that I take it might be done in a heavy vehicle space?---Tasks. Mmm, yes.

Then there's a listing from 1 to 21 of companies down on the left.---Yes.

And I take it that's you listing the companies - - -?---As I said - - -

- - - that at that point were doing the work.---As I said, yeah (not transcribable) people were just bouncing names off.

40 And just dealing with the companies that you were familiar with, the companies that you were working with at the time were which?---AA Steel, Lancomm, M&M, I think, and S A Masters.

THE COMMISSIONER: What about CBF?---No, I don't believe I had any direct engagement with - - -

Ozcorp?---I don't believe I had any direct engagement with them.

MR DOWNING: And it's the case, isn't it, that there was then a consultation process involving the RMS staff in the Heavy Vehicle area, and also Mr Chehoud, that led to ultimately the creation of the Maintenance Panel?---Yes.

And there ultimately were the two panels that were created, for category A and category B contractors.---Yes.

10 Can you recall whose idea it was of having the two different categories of contractors?---No, Counsel.

If you go, please, to volume 15.1, page 308. Do you see, this is a 4 September, 2017 email from Mr Soliman, although it looks like from his home rather than work email. It's ducktape69@[REDACTED]. But if you could just read that to your – I withdraw that. It's from Mr Soliman to himself, so it's not to you.---Yeah.

20 But do you – if you could read through it, please, and let me know when you've done that, and I want to ask you a question.---Yes, okay.

Do you have any recollection of whether Mr Soliman may have been suggesting that there be two categories of contractors on the panel? Or do you not have a recollection now?---No. No recollection.

So you don't recall now how it came to be that there were, the contractors were split into two categories?---I, I believe there was two different categories of work. I don't know the extent of category, I think it was B you mentioned.

30 Are you aware of one of the companies that ultimately ended up on the category B list was Novation Engineering?---The name I've heard of.

But do you have any knowledge of that company and - - -?---No. No, Counsel.

- - - what it did?---No.

40 Okay. Now, do you recall that ultimately the Maintenance Panel tender documents were finalised in late September 2017?---I believe so. I believe so.

And if we could go, please, to volume 15.1, page 318. And do you see on 22 September, 2017 - - -?---Yes, Counsel.

- - - Mr Soliman sends to Mr Dubois and Mr Hayes the eTender request for tender documents?---Yes, Counsel.

And if you go, please, to page 319, you'll see that it's the eTendering document in respect of this particular contract, showing that it was an open tender published on 25 September, and to close on 6 October, 2017.---Yes, Counsel.

And you were aware, weren't you, when the tender went public?---I think Mr Dubois mentioned something about it.

10 And do you recall that it was in late October 2017 that the successful tenderers were notified?---I don't recall but I'll agree.

And relevantly, if we could go, please, to page 15.5, page 30. You'll see on 23 October, Mr Dubois sent out an email of a letter of acceptance to, first of all, AA Steel Piping.---yes.

Telling that it had been accepted for the panel?---Yes.

20 And requesting that the documents be completed and returned within 14 days.---Yes.

And if you go to the next page, please, you'll see that it's the contract for the panel of maintenance at heavy-vehicle enforcement sites.---Yes.

And if we go to page 33. You'll see that this is a document to be completed, but for the contractor it was a document where it was agreeing it would carry out contracted work wherever a work order was issued?---Yes.

30 And you're aware, aren't you, that separate to AA Steel, that a similar email was sent on that day to Mr Rahme at Lancomm?---I just remember I sent it to all contractors.

But you know you know that Lancomm was successful as well?---Yes.

If we go, please, to page 41, same volume, you'll see 23 October, 2017, letter of acceptance also emailed to Mr Rahme at Lancomm?---Yes.

And if we go ahead, please, to page 96, you'll see, same day, letter of acceptance sent by Mr Dubois to Mr Masters.---Yes, Counsel.

40 So, it's the case, isn't it, that of the companies that you were regularly dealing with at the time, AA Steel, Lancomm and SA Masters were all successful in getting onto the panel?---Yes, Counsel.

That is the category A panel?---Yes, Counsel.

And they were all companies that were paying benefits to you at the time? ---Yes, Counsel.

If we could go back, please. Actually, I withdraw that. It's the case, isn't it, that you assisted Mr Rahme in submitting his tender for the panel?---I don't believe I assisted Mr Rahme.

THE COMMISSIONER: I'm sorry, did you say you did?---I said I don't believe I assisted Mr Rahme.

You don't.

10 MR DOWNING: All right. I want you to bear in mind the dates, being 25 September, which was when the eTender document I showed you indicated the tender was public and 6 October as being the due date. That is 2017 in both instances. Bear those dates in mind. Can we go, please, to volume 13.7, page 66? Now, these are texts between you and Mr Rahme and this is going back quote some years. So, not 2017 now, but 2012.---Yes.

But I want you to read message number 31, that is 20 June, 2012, at 10.21 and tell me when you've read that to yourself, please.---Yes.

20 Now, it would appear from that text that you were giving some thought to setting up a panel of contractors, even as far back as June 2012. Do you agree?---Yes.

And can I ask then, you've described a process in 2017 whereby you say it was a Mr Evans that spoke to you about a panel which ultimately led to you, I think, sending the email that I took you to, to Mr Soliman?---Correct, correct.

30 This is well before that, isn't it?---Yes, but nothing was done from there.

But what was your thought process back in 2012 as far as the creation of panels?---I don't recall.

Do you think, looking back at it now, that it may have been that you were keen for the panels to be established so that the contractors that you were getting kickbacks from might find it easier to get work?---May have been.

40 Now, separate to that text in 2012, can I ask you next to move to page 126 of volume 13.7, and again, you'll see that this is a text between you and Mr Rahme, so number 244, 17 February, 2013, at 10.55am. And do you see what you say in that text is, "Not that I have to, but on top of it, I'm trying to get you on a panel as well as find some work for you to do so you can recoup the cost for the Spot On fuckup, and you are telling me to get fucked, some friend. By the way, the iPhone 4 and HTC is ready for you as requested." You see that?---Yes.

So first of all, it's the case, isn't it, that you were trying to get Mr Rahme on the panel?---Don't know if it was a panel for that.

Well, I'll go back a step, sorry, I should be fair. It's the case, isn't it, that in 2012 and 2013, it was something that you'd given some thought to, that is, the creation of panels for the purposes of doing work in your area?---To be honest, Counsel, I can't recall a panel at that time.

Well, 2012 and 2013 are before you even start working in the particular position with Mr Soliman as your boss, correct?---Yes.

10 That didn't start until March 2014, when you started as the Heavy Vehicle, I think it's Heavy Vehicle Maintenance Program Officer.---To be honest, Counsel, I can't recall this.

All right, what I'm suggesting - - -?---And, and if it was - sorry.

Sorry, oh, please continue.---I can't recall it was affiliated with the panel of 2017, anything like that.

20 But the idea of creating a panel had been percolating in your mind for some time, hadn't it?---That could have been to do with other works, it may have been.

Well, you'd been - - -?---Outside, outside of RMS, it may have been.

I'm suggesting that you had been thinking about it for a while as a means of getting your preferred contractors in a position where they could get more work, correct?---No, I don't believe so.

30 I'm suggesting that you were doing that with a view to getting them on the panel, and then you being in a better position to direct work and extract kickbacks. Do you agree or disagree?---Disagree.

All right. Well, what were you referring to in that message, number 244 on 17 February, 2013, about trying to get him on a panel and find some work for him to do to recoup the cost of the Spot On fuckup?---I'm trying to think what was the Spot On - - -

40 Now, Spot On was a drilling company that he used to do some of his work, correct?---Yes, yes. Was his company.

Sorry?---Was one of his companies.

A company he controlled, with others, correct?---Yes, yes.

All right. Can you recall in 2013 there'd been some problem with the work they were doing?---I can't recall if it was for me or other clients of his.

But in this text, you say that, "On top of it," whatever 'it' is, you're trying to "get you on a panel as well." So isn't it the case that you were trying to get him on the panel?---There was no panel at that stage, Counsel.

Were you within the RMS raising the prospect that there might be a Maintenance Panel for heavy vehicles set up?---No, no.

10 Right. Have a look, please, at message number 245, and do you see that Mr Rahme responds to you on 17 February and says, "Stop dangling that BS, Craig. Panel has been mentioned by you for years now. If it was to happen, it would have happened by now. From a business perspective I am not interested." So you had been suggesting to Mr Rahme for quite a while, hadn't you, that, "Look, the panel will be set up, I'll get you on it and work will come your way"?---I don't believe so.

You don't, all right. Could it be that the problem with Spot On related to the work that Mr Rahme had done at your house, bearing in mind that this is 2013?---To be honest, I, I don't recall, Counsel.

20 In any event, can we go back, please, to volume 13.7, page 66? I withdraw that. Sorry, 13.7, page 16. Commissioner, I expect that I will be about another 15 minutes to finish this. I don't know whether it's convenient to complete that now or to finish Mr Steyn after lunch?

THE COMMISSIONER: Oh, no, I think we'll take the adjournment at 1 o'clock and resume at 2.00.

30 MR DOWNING: Thank you, Commissioner. All right. If we could go then, please, to - - -

THE COMMISSIONER: Well, look, it's close enough to that now, I think. So we'll adjourn now, Mr - yes. How much longer will you be, do you think?

MR DOWNING: I expect about 15 minutes.

40 THE COMMISSIONER: Yes. All right. Well, thank you for that. We'll take the luncheon adjournment. You'll be required to return here for 2 o'clock.---Yes.

Anything else, Mr Downing, before we adjourn?

MR DOWNING: No, Commissioner. Not at this time.

THE COMMISSIONER: All right. Thank you. I'll adjourn.

LUNCHEON ADJOURNMENT

[1.01pm]