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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 WEDNESDAY 19 MAY, 2021

AT 3.30PM

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

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

THE COMMISSIONER: Yes, Mr Alexander. Do you take an oath or an affirmation?

MR ALEXANDER: Oath.

THE COMMISSIONER: An oath?

MR ALEXANDER: Oath, yep.

10 THE COMMISSIONER: Yes. Got a Bible there? Thank you.

THE COMMISSIONER: Thank you, Mr Alexander, just take a seat.  
---Thank you, sir.

Now, Mr Tyler-Stott is representing you, I understand. Yes.

MR TYLER-STOTT: Yes.

10

THE COMMISSIONER: You seek leave to appear? If I haven't already granted you leave, I do. But you seek leave to appear for Mr Alexander, is that right?

MR TYLER-STOTT: That's right.

THE COMMISSIONER: Yes, I grant that. Is there any application you wish to make?

20

MR TYLER-STOTT: He objects and seeks the declaration - - -

THE COMMISSIONER: Just use the microphone, if you would.

MR TYLER-STOTT: He objects and seeks a declaration, Commissioner.

THE COMMISSIONER: Yes, very well. Mr Alexander, you've had explained to you, I gather, that you may give evidence under objection, and that objection means that the evidence can't be used against you in other proceedings. You understand that? It's been explained to you?---Mmm, no.

30

Don't understand it? Mr Tyler-Stott, have you given your client any advice about this?

MR TYLER-STOTT: Yes, I have.

THE COMMISSIONER: So can I take it that he does understand the provisions to which I'm referring?

MR TYLER-STOTT: Yes, he does.

40

THE COMMISSIONER: All right. Mr Alexander, I will make a declaration. In fact, the evidence you give will be treated as being given under objection, as your legal representative has requested.---Okay.

But you still understand that you're under a legal obligation to give truthful evidence?---I do.

You must respond, otherwise it's not written down on the transcript. Rather than just nod your head.---Okay.

Do you understand?---I understand.

10 The evidence, although once objected to, can't be given or made use of in future proceedings, there is one exception, and that is if a witness gives intentionally false evidence, that is perjury. That is an offence under the Independent Commission Against Corruption Act, and the evidence can be used in a prosecution for such an offence. Do you understand what I'm saying?---Understand. Yes, sir.

The same applies to any other offence committed under the Independent Commission Against Corruption Act, the evidence can be used in those circumstances.---Yes, sir.

20 Pursuant to section 38 of the Independent Commission Against Corruption Act, I declare that all answers given by Mr Alexander as a witness and any documents or things that may be produced by him during the course of this public inquiry are to be regarded as having been given on objection, and in those circumstances there is no need for Mr Alexander to make objection in respect of any particular answer given or document or thing produced.

30 **DIRECTION AS TO OBJECTIONS BY WITNESS: PURSUANT TO SECTION 38 OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT ALL ANSWERS GIVEN BY MR ALEXANDER AS A WITNESS AND ANY DOCUMENTS OR THINGS THAT MAY BE PRODUCED BY HIM DURING THE COURSE OF THIS PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN GIVEN ON OBJECTION, AND IN THOSE CIRCUMSTANCES THERE IS NO NEED FOR MR ALEXANDER TO MAKE OBJECTION IN RESPECT OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR THING PRODUCED.**

THE COMMISSIONER: Yes.

40 MR DOWNING: Thank you, Commissioner. Mr Alexander, if you could state your date of birth, please.---[REDACTED] 1960.

If you could just try and move in closer to the microphone because it does need to pick up and amplify and record. Thank you.

THE COMMISSIONER: Yes. If you keep your voice up, please, and direct your voice towards the microphone, otherwise people down the back of the hearing room can't hear and sometimes I can't either if the witness doesn't use the microphone. Okay?---Okay, okay.

MR DOWNING: You were born in Durban, South Africa?---Yes.

And it's correct, isn't it, that you met your wife, Sandra, in South Africa?  
---Yes.

You married there?--- Yes.

10 And in terms of your background, you worked as a boilermaker in South Africa, correct?---Yes.

Is it correct that you emigrated to Australia in about 1989?---Yes.

And your wife's first cousin is Craig Steyn?---Yes.

Did you know him in South Africa?---Yes.

20 He emigrated to Australia at or around the same time as you, correct?  
---Correct.

Now, in Australia, you ultimately set up your own business, AA Steel Piping, in 2004?---Yes.

Prior to that you worked in a number of different jobs, correct?---No.

You didn't?---I worked for one company.

Was that Boulderstone Hornibrook?---Correct.

30 And in the course of that work, at one point were you a supervisor with Mr Steyn working under you?---Yes.

For how long was that?---A couple months.

Now, ultimately, you've confirmed that in 2004 you established AA Steel?  
---Yes.

40 And I'm just going to use AA Steel as a shorthand for AA Steel Piping. I take it you understand.---All good.

It's correct, isn't it, that you've run that company since that time?---Yes.

And it's really been you who has been the driving force of the business?  
---Yes.

It's the case, isn't it, that it does steel fabrication-type work?---Yes.

And is it correct that you either perform it yourself or supervise staff in all of that work?---Correct.

And you've employed a number of employees over the years?---Correct.

And you've also been hands-on yourself?---Correct.

And it's correct that you operate a workshop?---Yes.

10 And have done for some years?---Correct.

And where is the workshop located?---In Mount Druitt.

And so you do some fabrication work in the workshop?---Yes.

And then you often take steel to different locations and do work onsite, correct?---Correct.

20 And you work in both those locations?---I'm all over.

And it's the case, isn't it, that through the business it's really you who finds and generates work?---Yes.

It's the case, isn't it, that your wife, Sandy, has always had her own full-time job?---Yes.

Separate to AA Steel?---Correct.

30 But she also assists you in doing the office or admin work for the business? ---Secretarial, yep.

So, for instance, when it comes to the paperwork side of things, she takes care of that for you?---Yes, she is a secretary.

Well, she's more than just a secretary, isn't she, in that she looks after billing and paying invoices?---That is secretarial work, sir.

So, really all of the office work she does?---Yes. Under my supervisor.

40 And it's the case, isn't it, that she sometimes uses, or she sometimes comes into the office?---Yes.

But more often than not is it the case that she does work at home using a computer?---Used to, now she is full-time in the office.

Because she is not working in her full-time role anymore?---Full-time job, yeah.

And what's your recollection as to when she ceased working in a full-time job, how recently?---I think about four years. Three years/four years.

Thinking back to when she was still working full-time, was the way it would work that typically she would, in your house at night, look at paperwork and put things before you and talk to you?---Correct.

So that she wasn't actually in the office each day?---No.

10 Now, it's the case, isn't it, that for the entirety of the businesses operation, it's always been Sandy who has taken care of emails?---Sandy, yep, and then she shows me what's it all about.

So when something comes in she looks at it, she shows it to you?---Yes.

And she would send things out after she'd spoken to you?---Correct.

20 And then for paperwork, things like the preparation of quotes or invoices, is it the case that she would speak to you about it?---I'd write it down and speak to her.

So you would make some notes?---Notes and I would speak to her and she'll take it out and send it to the client.

And what about accounts and banking, are they things she takes care of as well?---Yes, under my supervision.

30 So for instance, dealing with banking when an invoice comes in from someone for either materials or whatever to do with the business, is it the case she would show it to you?---She would show it to me.

You would give her some direction then as to whether it should be paid or not.---Correct.

And similarly, when it comes to the preparation of invoices, I take it you give her some notes as to what's to be charged and what's to be written on the invoice?---Correct.

40 She would then send it out. Now, as far as quotes are concerned, I take it it's your job within AA Steel to work out the pricing and estimates?---Yes, correct.

So would that mean sometimes going to site and giving an estimate after looking at things and measuring things up?---Correct.

And other times perhaps doing it from the office?---Correct.

And thinking about the sort of work that the company has done, accepting that you've been in operation now for a period of about 17 years?---Yeah, about that.

Thinking of the period say in the first five years, was your work exclusively steel fabrication?---Yeah, pipe fabrication.

So is that pipe fitting or pipe building?---Pipe fabrication and structural steel.

10

And then after those first five years, so really for the next 16 years, has it been the same work or have you moved into other fields as well?---We done numerous sort of jobs.

Separate to either pipe fabrication or steel fabrication.---Correct.

And what sort of other work has the company done?---Oh, we've done lane marking with Craig.

20 Sorry?---We done lane marking with Craig.

Lanes on roads?---Yes. No, not the lanes, just where the speed cameras were.

Right.---Putting on reflector eyes.

Cats' eyes onto - - -?---Cats' eyes and, yeah.

30 So they're things for Mr Steyn?---Steyn, yeah.

Beyond work for Mr Steyn, and I'll come to Mr Steyn in a moment, but except for areas where you did other forms of work, whether it's line marking or cats' eyes, has the work that you've done for other clients been more squarely within the field of steel fabrication?---Steel fabrication.

And it's the case, isn't it, that through the entire period that AA Steel has operated, it has had a CBA business account?---Yes.

40 And money that is received for work that AA Steel does comes into that? ---Yes.

And expenses related to the operation of AA Steel get paid out of that. ---Yes.

And that's again done by Sandy, but at your direction?---Yes.

And are you aware that typically the way in which things are paid by AA Steel is via funds transfer through the internet?---Yes.



And you've confirmed that there was an account, but is that an account that is typically operated by Sandy when it comes to logging on and making payments?---Yeah, that's that internet banking.

Now, coming back to Mr Steyn, I want you to assume that he begins his work at the RTA in early 2009. Accept that from me.---Okay, I accept it from you.

10 It's the case, it's it, that before he started there, AA Steel hadn't done any work for the, what was then the RTA?---I think we done a little bit of work before that.

Are you sure about that?---Not too certain but I know that I've done work for other people in RMS.

Can you recall now where the first work you did for the RMS came from or what it involved?---Not really.

20 By 2009, AA Steel had been in operation for about five years.---Yes.

And I take it over that time that you'd developed some relationships with clients for whom you did work?---Every day.

And can recall in those first five years who the clients, the significant clients that you did work for were?---We done Boral, CSR, Veolia, Feldspar.

30 So were they all companies that you'd found some connection with or found a contact with and had been able to put in for work - - -?---Doorknocking.

- - - and obtain work?---Doorknocking, yeah.

In effect doorknocking. So cold-calling people?---That's it.

And I'm going to suggest to you that in that period, that is from 2004 to early 2009, in fact there'd been no work that AA Steel did for the RTA. ---No. Well, if you got it there.

40 Well, what's your recollection in terms of how you first came to be contacted for some particular work at the RTA?---What's his name? Alex, Alex, I don't know what's his surname. I think he was the first one who gave me work over there.

Do you mean Alex Dubois or another Alex?---No, another Alex.

Could it be an Alex Amadei?---Amadei, yeah.

Thinking about when that was, could it be that before that occurred, that is – well, let me go back a step. Do you say you were contacted by someone at the RTA, asking you to put in for something?---Yes.

Thinking back, could it be that that occurred after Mr Steyn had started at the RTA and you'd spoken to Craig about an interest in perhaps AA Steel doing some work.---Could be.

10 Because this is the case, isn't it, that you see Mr Steyn pretty frequently, or you did back then.---Back then, yes.

Your families were close.---Family friend, yep.

Well, a relative.---Relative.

Because he's the first cousin of your wife.---Correct.

And your families did mix socially quite a lot.---Correct.

20 You obviously learnt that he had obtained a position at the RTA.---Yes.

And you'd known before that he'd been at Telstra for some years.---Yes.

Isn't it the case that, fairly soon after you learnt he was at the RTA, you asked him about what sort of work he did and found out from him that steel fabrication was something that the RTA required from time to time?---Yes.

30 And isn't it the case that you asked him whether it might be possible for AA Steel to put in for some of that sort of work?---Yes.

Do you think, thinking back now, that you then got a call from this Alex person asking whether you were interested in doing some work after having that discussion with Craig?---Yes.

And when you got that call, was it the case that it was asking you to do some particular steel-related work?---Yes.

40 Was it to design some steel for some speed camera stands?---No, that was way after, speed camera stands.

What was it? Can you recall what the job was?---I think it was the, the, the connection in between for the, for the cameras, to extend the cameras.

So to make some steel connection to extend them.---To extend the cameras. And then, and then afterwards I started making the cameras.

But is it the case that, whatever it was, this Alex contacted you, asked if you were interested.---I think it was Alex, yes.

You put in a proposal.---Yeah, and - - -

And you obtained the work.---Obtained the work.

And at the time did you speak to Craig and inquire whether that might have been because of a good word he'd put in for you?---Could be.

Can you recall that or not?---No, too far, too far back.

10

It's the case, though, that after that initial contact you got further jobs with the RTA and then later the RMS?---Correct.

And would you agree that initially they were smaller jobs?---Small jobs, yes.

And not particularly frequent jobs?---No.

20

But over the years, from 2009 to 2019, you got bigger jobs?---Bigger jobs, yes.

And more of them.---Yes.

And you learnt, didn't you, that it was frequently Craig who was asking you to put in for quotes on particular jobs.---Yes.

Because he would contact you, correct?---Yes.

30

And did you learn anything from Craig about any requirements he had in terms of obtaining quotes depending on the value of the contract?---No, I don't think so.

Did he ever say anything to you, for instance, about whether for jobs up to \$50,000 he only needs one quote, and for jobs above that he might need more than one quote?---Could be. Could be, I don't know.

You don't recall now?---Going back too far, yep.

40

But it's the case, isn't it, that over time you submitted quotes on multiple jobs for Craig.---Yes.

And you obtained multiple jobs for Craig.---Yes.

Now, think back to when you first start getting RTA work, I'm suggesting in about 2009. Did Craig then, at about that time, say something to you to the effect that in return for AA Steel getting the work, he wanted something in return?---No, he'd never say anything like that.

At any point has he ever said to you that in return for the flow of work that you were getting from the RTA through him he wanted a little something in return?---No, he just used to amend the (not transcribable) well, I used to quote the job and then come back and it was changed.

Well, I'll come to the changes in a moment, but I want to ask just as to whether you can recall him ever actually asking that you provide him with either or money or that you pay for things at any point while he was allocating work to AA Steel?---Not at the beginning.

10

So thinking back to 2009, accept that's the beginning, do you have a recollection that at some point he starts to ask for things?---As we went down the track.

Now, it may be that you can recall events occurring and use them as reference points as to when the first approach occurred. Can you put a time on it now in terms of years?---No, I'll have to, I'll have to go back into the paperwork and check it out.

20

But can your recall this – Mr Steyn to your knowledge at one point moved from Minchinbury to a house in [REDACTED].---[REDACTED], yes.

And it's the case, isn't it, that he then embarked on a fairly large job in terms of putting a pool and a pool house in and knocking down an existing one-storey house and building a two-storey house.---Yes.

Can you recall by reference to perhaps him either undertaking some of that work or talking to you about that work, whether he first asked you to give him something or pay for something?---Pay for bins I think it was.

30

Bins as in what, skip bins?---Skip bins, yeah.

And was that at a time when perhaps there was some excavation going on or demolition going on?---Could be the demolition, yeah, because the skip bins is demolition.

Well, this is obviously the time when you're doing RMS work.---That's it.

40

And tell me, does this occur when you're visiting, are you at their house at [REDACTED], are you at a social function somewhere, as best you can recall?---This is going back many years now.

I acknowledge it's some years ago, but just do your best. I'm not expecting you to remember exact words.---No, I don't think so. I think in the workshop, he used to come to the workshop.

That's your workshop for AA Steel?---My workshop, yeah, yeah.

And did he come – well, tell me what he said to you when he came to speak?---Oh, I couldn't remember that, sir.

Did he present you with an invoice for something?---I paid a hell of a lot of things for him, so I - - -

We'll come to what you paid in a moment, but I'm really trying to go back to the first time he approached you.---No, too far back, I wouldn't remember.

10

But you have a recollection that he asked you to pay, you believe, for skip bins.---I think it was bins or the demolition, one of the two.

Well, I'll come to some paperwork in a moment, but did it take you by surprise that Mr Steyn might be coming to you to pay for something that was related to his house?---Yeah.

Did you wonder why it was that you should be meeting the cost of works in relation to his house?---Dunno.

20

Did he say anything to you at the time about why it was he thought that you might be interested in paying this for him?---Not really. This is going back too far, sir.

But he presented you with an invoice and asked you to pay it.---Yeah, I think I paid it.

Right.---Yeah.

30 Can I ask what was it that made you decide that you should pay it for him?  
---Make him happy, I'll get more work.

Did he offer at any point that for instance you might get something in return for you paying this for him, did he say anything to that effect?---No, never. Can't remember.

But the reason you decided to pay it was you thought that it was a way of keeping him happy.---Keeping him happy, keeping my men employed.

40 That is keeping a flow of work from the RTA or RMS.---RTA, yeah.

Now, you do recall, I'm going to suggest that in about 2013, that he began work putting a pool in. Do you recall that?---Mmm.

Do you recall that before he knocked his house down he actually had a pool and a pool house constructed on the property?---Constructed on the property.

Do you recall that he asked you at some point during that work, that is work relating to the pool, for you to pick up the cost of some items?---Give me the items there please, sir.

Well, for the pool, can you recall for instance he asked you to meet the cost of some pool equipment?---I think it was pumps or something like that.

10 Did you recall he might have given you a bill from the Dural Pool Shop and asked that you take care of that?---Could be. This is going back years.

Or some plumbing costs or items from Reece Plumbing. You know Reece, the plumbing goods supplier?---Yeah, yeah, yep. I know. Yeah. Could be, yeah.

As best you can recall, was it back when he was starting work in respect of the pool and pool building that he began to give you things and ask you to look after them?---I think so. Yes, sir.

20 And it's the case, isn't it, that after giving you the first bill that he wanted you to pay, he came back with more?---More, yeah.

And he came back with them fairly frequently?---Quite frequently, yes.

In relation to the works he was doing at his house?---At his house, yeah.

And they were all sorts of items in relation to the cost of the house and the work, weren't they?---Yes.

30 Things from demolition to tiles, bricks, plumbing costs, the costs of various bits of furniture and televisions, electrical goods?---Yes.

And over time it's the case, isn't it, that he expanded his repertoire so to speak and started asking you for things not related to the house and the renovation at all, but started giving you bills in relation to living expenses? ---Yes.

40 Now, go back to when he first presents you with something and you decide to pay it. Did you raise that with Sandy at the time?---I raise everything with, with my wife.

But particularly here, Craig was coming to you and asking you to pay for some bill related to his house and Craig is Sandy's cousin. So, the family relationship comes via your wife?---Yes.

What did you go and say to Sandy on being presented with a bill that seemed to relate to Mr Steyn's renovation?---I said, "Pay it."

So is it the case that you gave it to her and told her that, "You should pay it"?---Pay it, yeah.

Now, it's the case, isn't it, that that was the pattern that then followed over many years?---That's the case, sir.

That Craig would come to you with things, bills, and ask that you pay them?---Yes, yes.

10 You would then give them to Sandy and direct her pay them?---Yes.

Do you remember discussing with Sandy about paying them and saying something to the effect of, "Look, we should pay it. We want to keep the work coming to AA Steel"?---Yes.

And do you recall that there were times when Sandy would come to you to say that Craig had presented her with things to pay?---Yes.

20 So sometimes they would come through you?---Yes.

And other times Sandy would say that she had been presented something by Craig?---Yes.

And would she come to you and ask, "Is this okay to pay"?---And I would say, "Pay it."

Do you remember that from time to time you would tell her from which account to pay things?---I think so, yes.

30 So that most of the time they were things that were paid from your personal account that you and Sandy had with the Commonwealth Bank?---Yes.

But at times, you - - -?---Some from the company.

- - - got her to pay for things through the company?---Yes.

And was that because, first of all, you were trying to, in effect, pay for it through pre-tax dollars?---Yes.

40 And secondly that what you were trying to do was to take something, typically a building-related expense or material, and make it a work expense or a business expense?---Yes.

Now, it's the case, isn't it, that in Craig presenting you with multiple invoices to pay, he never ever said anything to suggest that this was something he was going to pay back to you?---No.

Basically he came and just handed it to you and said, “You take care of it”?  
---Yes.

At the time you knew that Craig worked for the RTA?---Yes.

And you knew that the RTA was an arm of government?---Wasn't, sorry?

Was an arm of government, it was a public authority?---Yes. Yes.

10 And you understand that he was a public official?---Well, I didn't know at that time that he was, but I knew he worked for the government.

Well, I take it though you understood that what he was in effect doing was seeking some form of reward for you, that is – sorry – reward from you, in return for him directing his RTA work your way?---Yes.

I take it that you, at the time, must have realised that there was something inappropriate about what he was doing?---Yes.

20 But is it the case that you were prepared to put up with it because you wanted to try and keep what was, what had become a significant flow of work going?---Keeping my boys employed and put food on their tables.

So you concluded that it was ultimately better that you would pay in the hope that the RMS work would continue to come?---Yes.

I want to turn to a couple of examples of particular items that Craig asked you to pay. Commissioner, I see the time. It won't take very long, but - - -

30 THE COMMISSIONER: Yes. I have a 4.15 meeting I've got to go to, so perhaps five minutes.

MR DOWNING: Thank you, Commissioner. If we could go, please, to volume 10.3 and to page – I withdraw that. First of all, just to confirm your bank accounts, if we could just go to volume 11.3, page 9. Do you recognise that this is a CBA account, sorry, statement for the AA Steel Piping account that you operate?---Yes.

And have done for many years?---Yes.

40

And you'll see that the account number ends in 5-1-0-5. Correct?---Yes.

And can I ask you then to go also to volume 11.5, page 3. And do you recognise this as a CBA statement of a joint account that you and Sandy operate also through the CBA?---Yes.

And this one ends in 5-0-8-4.---Yes.



And this is the account, isn't it, that you use to meet your day-to-day living expenses?---Yes.

And it's the case, isn't it, that with AA Steel what you do is you draw - - -?  
---Sorry, Commissioner, what is that address up the top over there? 11 - - -

I don't know what that address is.---That's not my address.

10 Right. Well, we can go to other pages of the statements if you like. But - - -

THE COMMISSIONER: I think we can work from this page if you wish.

THE WITNESS: This page we can work from.

MR DOWNING: All right. It's the case, isn't it, that the way that you have structured AA Steel is that with the business that you draw a wage yourself?---Yes.

20 And also some dividends are paid out.---Yes.

And they're paid from the AA Steel account into this personal account.  
---Yes.

All right, thank you, Commissioner. I note the time. If we could perhaps resume.

THE COMMISSIONER: Yes, very well.

30 MR DOWNING: And I understand that Mr Tyler-Stott isn't available tomorrow or Friday but is available next week.

MR TYLER-STOTT: Yes. Tuesday.

MR DOWNING: I'm sorry. So I understand at this stage what we are proposing, subject obviously to your convenience, is that we would interpose Mr Rahme from tomorrow morning and complete his evidence, and then Mr Duchesne's, and then resume next week with Mr Alexander to complete his evidence.

40 THE COMMISSIONER: Very well.

MR DOWNING: And that will then complete all of the contractors in respect of Mr Steyn.

THE COMMISSIONER: Well, that will be Tuesday, not Monday, of next week.

MR DOWNING: All right.

THE COMMISSIONER: Tuesday it is.

MR DOWNING: Thank you, Commissioner.

THE COMMISSIONER: So, Mr Alexander, we'll let you get away today. Under the summons for you to attend, we'll resume your evidence on Tuesday morning next.---Yes, sir.

10 10 o'clock if you could be here so we can start at that time.---10 o'clock, yes, sir.

Thank you. Very well. Nothing else?

MR DOWNING: No. Thank you.

THE COMMISSIONER: Thank you. Then I'll adjourn.

20 **THE WITNESS STOOD DOWN** **[4.03pm]**

**At 4.03PM THE MATTER WAS ADJOURNED ACCORDINGLY**  
**[4.03pm]**