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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 FRIDAY 21 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.

MR CLARK: Commissioner.

THE COMMISSIONER: Yes, Mr Clark.

MR CLARK: Clark for Mr Steyn, Your Honour.

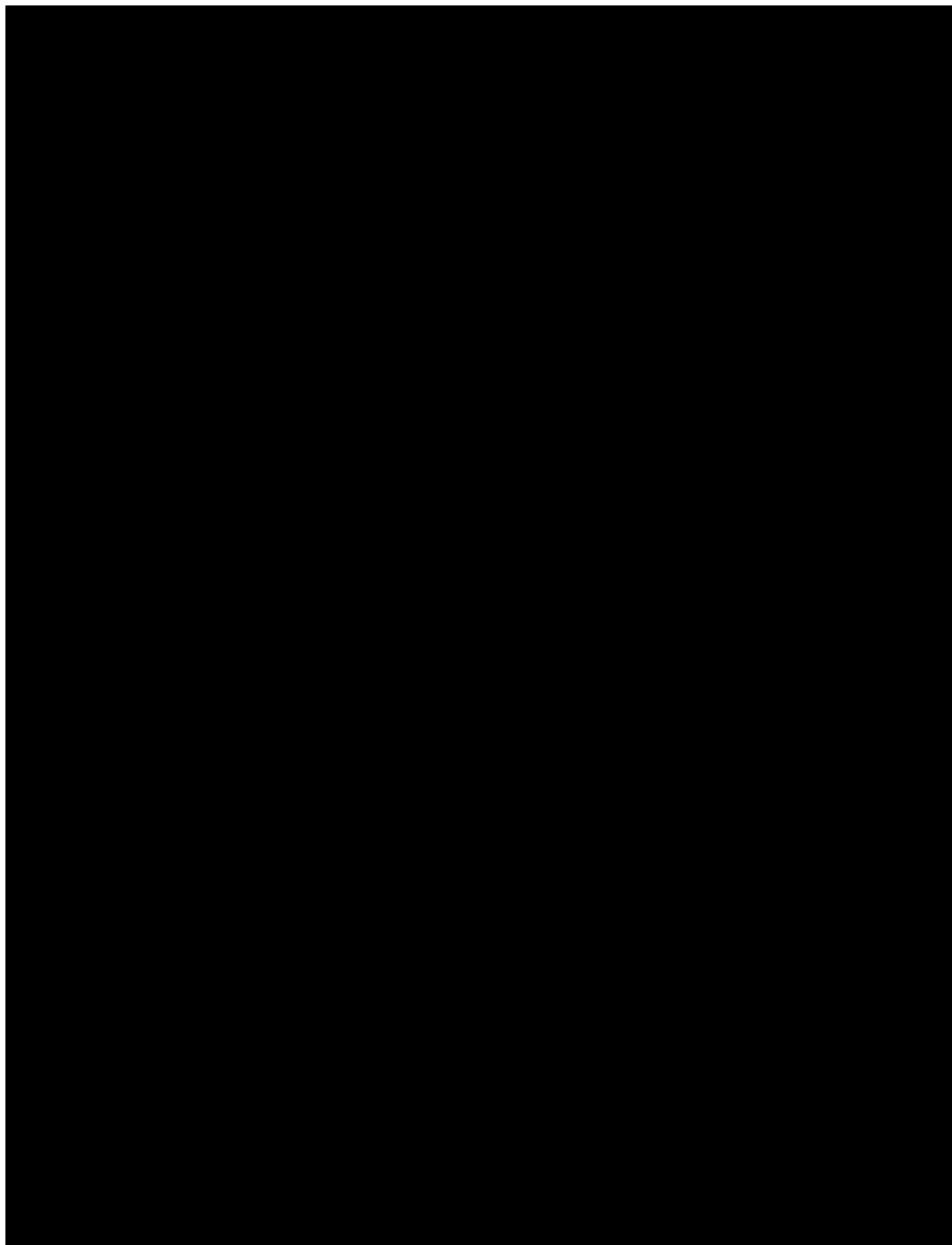
THE COMMISSIONER: Yes.

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THE COMMISSIONER: All right.

MR DOWNING: I just wonder whether this letter should be returned, Commissioner, or whether my friend wants it marked or - - -

THE COMMISSIONER: I'm sorry?

10 MR DOWNING: I just wonder whether the letter should be returned or whether my friend wants it marked.

THE COMMISSIONER: We should mark it for identification, I think.

MR CLARK: I'm happy for it to be marked.

THE COMMISSIONER: That will be – have we got any other MFIs? It might be MFI 1. We have a number. What's the number? All right. At the moment I think there is another MFI that I recall.

20 MR DOWNING: Mr Ishak's just reminded me that it was the list of exhibits that was provided on the first day, so that I think might be MFI 2.

THE COMMISSIONER: I'll mark it as MFI 2 for the moment and if that has to be altered we'll deal with it.

#MFI-002 –NORTON ROSE FULBRIGHT LETTER DATED 18 MAY 2021

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THE COMMISSIONER: Now, Mr Clark, just one other matter before we get going. The evidence was given yesterday by Mr Rahme. There's been no application for cross-examination of him. Before I discharge him from his summons I just want to confirm with you, I think you were here yesterday but I just wanted to make sure.

MR CLARK: Yes, I was, Commissioner.

40 THE COMMISSIONER: Yes. So you don't have any application for leave to cross-examine?

MR CLARK: I don't have an application, no, no.

THE COMMISSIONER: Thank you. I just wanted to clarify that. Thank you. Very good. Now, by reason of a matter I've got to deal with, the sitting hours today will be changed from the normal course. I'll adjourn at midday and resume at 2.00pm today, unless anyone wants to have a morning tea adjournment for any reason, I think we'll go straight through to

midday and then adjourn, but there's leave to anyone who for whatever reason wishes to take an adjournment, then I'll entertain that adjournment.

Mr Downing.

MR DOWNING: Thank you, Commissioner. We're ready then for Mr Duchesne to give his evidence.

10 THE COMMISSIONER: Thank you. Mr Duchesne? Good morning, Mr Duchesne. Do you take an oath or an affirmation to give evidence?

MR DUCHESNE: An oath.

THE COMMISSIONER: An oath.

MR DUCHESNE: The oath, yes.

THE COMMISSIONER: Thank you, Mr Duchesne, just take a seat there.

MR LAWRENCE: Commissioner, you have granted me leave to appear on behalf of Mr Duchesne.

THE COMMISSIONER: Yes.

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MR LAWRENCE: And I wish to indicate that the contents and substance of section 38 of the ICAC Act has been explained to Mr Duchesne, and he's indicated to me that he would be asking for a declaration under section 38.

THE COMMISSIONER: Yes.

MR LAWRENCE: Thank you.

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THE COMMISSIONER: Thank you, Mr Lawrence. I confirm that I grant - I think I've already granted you leave. I grant you leave again today - - -

MR LAWRENCE: Thank you.

THE COMMISSIONER: - - - to appear for Mr Duchesne. Mr Duchesne, I understand from what Mr Lawrence has said you're aware of the fact that you may give evidence under objection.---Yes.

30

And that means that that operates as a protection against the use of the evidence in other proceedings in the future. You understand that?---Yes.

However, there is an exception, which I should explain to you, and that is that if a witness commits an offence under the Independent Commission Against Corruption Act, including, for example, giving wilfully false evidence, which is referred to as perjury - - -?---Yes.

- - - then the evidence could be used in a prosecution for such an offence. ---Yes.

40

Notwithstanding that a declaration under section 38 is made in respect of a witness, you understand that the witness, such as yourself, must give truthful answer to all questions?---Yes.

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

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

THE COMMISSIONER: Mr Downing.

MR DOWNING: Thank you, Commissioner. Mr Duchesne, if you could just state your full name, please.---It's Eric Louis Martin Duchesne.

20 But you're known by most of your friends as Martin or Marty?---Yes.

And if you could confirm your date of birth, please?---23rd of June, 1947.

And is it correct you were born in Durban, South Africa?---Correct.

Is it correct that you have been in Australia since about 1978?---That's right.

And by way of work background, is it correct that in South Africa you had a background in boilermaking?---And quality control yes.

30 Well, going through it in order, after finishing school, did you work for some years as a boilermaker?---Yes.

And at some point did you start doing quality assurance and quality control-type work?---It was quality control, yes.

And was that work that related to steel fabrication, so that you would do quality work in respect of steel? Or was it broader than that?---Steel, yes.

40 For how many years did you work as a boilermaker before going into quality control?---Actually, at the end of my apprenticeship that I started into quality control.

So as early as that, right at the end of your apprenticeship?---Yes. Yes.

THE COMMISSIONER: Mr Duchesne, could I just remind you, as I do with all witnesses, just to move reasonably close – not too close – to the

microphone, to direct your speech to the microphone, and keep your voice up if you would, so that everyone can hear. Thank you.

MR DOWNING: So as best you can recall, how many years did you work in quality control in South Africa before moving to Australia? And I know it's some years. I'm not asking for a precise figure. An estimate.---An estimate, about seven years, I'd say.

10 And then, after moving to Australia in 1978, did you work in boilermaking or in quality?---I started in boilermaking at the start and I went back into quality (not transcribable) would have been about '87, I think.

And was that initially working for some other company or was that on your own account?---Yes.

And who were you doing the quality work for?---I started with New World Steel at that time, and later with Babcock.

20 And have you, separate to the actual experience you had as a boilermaker working with steel, have you ever done any qualifications in respect of quality control?---Yes. I've done my welding supervisor's and welding inspector's certificates.

Was that in South Africa or - - -?---Yeah.

- - - in Australia? So, you have a qualification in respect of the inspection of welding work?---Yes.

30 But have you ever done any actual qualifications in quality control or quality assurance itself?---Welding, welding inspection is part of the quality control.

I understand that but quality control and quality assurance is a field of work in itself.---Exactly, yes.

Have you done any - - -?---No, I haven't done any, any – no qualifications.

40 But I take it, where you do work in quality control, as you have done for many years now, what you're relying on is your experience, first of all, in working work steel yourself?---Yes.

And the qualification you did in respect of welding supervision?---Yes.

Now, it's correct, isn't it, that in Australia, after working for a couple of different organisations for some years, you set up your own business, M&M Inspections?---Yes.

And that was in about June 1992. Do you recall that?---Yes.

And you, for the purposes of that, you registered a company, M&M Inspections Pty Ltd?---Yes.

And you were the director and shareholder in that company?---Yes.

Was your wife also a director?---She might have been a secretary I think, at some stage. I'm not sure.

10 In any event, it's the case, isn't it, that the company operated continuously from 1992 through until about 2019?---That's right, yes.

And over that period, can you describe the sort of work that M&M Inspections did?---I did mechanical and welding inspections for various companies, including Intertek, they were called Moody International at the time.

Did they later become Intertek?---Yes.

20 So was that a client you did work for over a number of years?---Yes. For a very long time.

And, sorry, what type of inspections were you doing as part of the work, say using Intertek as an example?---Mechanical inspection, welding inspections, various things. There were lots, so quite a broad - - -

When you say mechanical inspections, can you explain what that meant? What were you inspecting and reporting on?---Inspecting valves, pumps, mechanical, all the mechanical stuff. Fans - - -

30 So the operation of various types of machinery I take it?---Correct.

As well as welding inspections?---Yes.

So that where a steel structure, for instance, was being fabricated and perhaps installed, you would then go and inspect the welding?---Not just the welding but the whole structure, yes.

40 So it involved not just welding in respect of steel but the entire integrity of the structure?---Yes.

And then there was also mechanical inspections and reporting that you did? ---Yes.

Now beyond Moody's, who became Intertek, were there a number of other clients – and I want you think first of all of the period from about 1992 through to about 2015. So I'm just for the moment excluding the last four years of your work with M&M Inspections. So beyond Moody's, who

became Intertek, who else were your clients over that period?---Fluor was one of them. Fluor Australia, they, they were called Fluor Daniel at, at the start.

Amid was that similar type of work? That is either steel or welding or general mechanical inspections?---Yes, but it was more pressure vessels. Who were the other players? KBR - - -

10 Brown & Root?---Brown & Root, yes, based in Western Australia.

That's a large engineering concern, isn't it?---Yes.

Again, was it similar type of work that you were doing in terms of the inspections and reporting?---Yes, that was onsite, that was all site work,

And does your work often involve two aspects? First of all going to fabrication shops and doing inspections where structures are being fabricated?---Locally, yes.

20 And then does it also sometimes involved going to site where the structures are ultimately put into use and doing inspections onsite as to their integrity at the point of, I guess, being commissioned?---Yes.

Now, you're familiar with Craig Steyn?---Yes.

And you're obviously aware that he's a man of South African origin?---Yes.

30 Going back, what's your recollection as to when you first came to know Mr Steyn?---Craig Steyn was a friend of my daughter's, yeah. They were, they were - - -

I'm sorry.---Okay. They, they were a group that all grew up together that were, he wasn't the only one in the group that I knew.

Ae you talking about growing up in Australia?---In Australia, yes.

And in Sydney?---In Sydney, yes.

40 And which daughter was that?---Leanne.

Right. So was Leanne friends with Craig?---Yes.

And are you talking about a point in his life when he was still at school or as an adult?---When they were at school, yes.

I take it that – are you aware that Craig was born in South Africa and emigrated to Australia?---Yes.

Did you know either him or his family in South Africa?---I knew his father, not personally, but I knew of him. He lived in the same area that I did.

So did you know that Craig was his son at that time in South Africa?
---Yes.

But had you ever met him, I take it at that stage when he was fairly young?
---I didn't know him in South Africa at all, no.

10 But is it the case that you come into contact with him in Australia as a result of your daughter being friends with him as she was growing up?---Yes.

Now, is it the case that you also had some contact with him in a work context, separate to any knowledge of him through your daughter, Leanne?
---I contact, I made contact with him one day, it was quite a surprise. I went to somewhere to do an inspection on Baulderstone for Babcock at the time and, and - - -

20 So just pausing there.---Yes.

So this is when you are working for Babcock?---Yes.

So before you set up M&M Inspections.---Yes.

And do you say at some point you go and do, as part of your work, a quality inspection at Baulderstone Hornibrook?---Yes.

And did you encounter Craig Steyn there?---Yes.

30 And was he working in some area where you were there to do an inspection?---He was in the same area, yes.

Now, is this before you'd met him through your daughter or after?---I don't remember now. It's so long ago, yeah, I don't know.

But when you saw him at Babcock was he someone that you – I'm sorry, you were at Babcock, he was at Baulderstone Hornibrook, did you recognise him, was he someone that you were familiar with?---Yes.

40 That would tend to suggest, wouldn't it, that you must have been introduced through your daughter before that time because otherwise you wouldn't have known who he was at all?---Could be.

In any event, did you have some discussion with him at the time?---Yes.

And is it the case that over the years you saw him from time to time through the South African community?---Yes.

And through your daughter?---Not necessarily through my daughter, that time was just we met at different functions.

Were you invited to Craig Steyn's marriage, to the wedding to his wife, Aleesha?---Yes.

And was that by Craig's parents?---I think initially, yes, yes.

And Craig's parents were by then living in Australia?---Yes.

10

And did you know Aleesha before the wedding or was she someone you met at the wedding?---I think it would have been at the wedding, or during the wedding preparation anyway.

Now, thinking about your work then with M&M, you conduct that business for quite some years before you do any work that emanates from Craig Steyn. Correct?---Correct.

20

But did you learn at some point – I withdraw that. You're aware, aren't you, that from about 2015 to 2019 that M&M did some quality works for the RMS?---Yes.

And did you learn at some point around 2015 or perhaps earlier, that Mr Steyn was working for the RMS?---Yes.

Can you recall the circumstances in which you learnt of that, was it through him, was it through your daughter or through some other person?---I think it might have been through him.

30

Do you recall whether perhaps there was some – I withdraw that. Do you recall learning what his role was at the RMS when you found out that he was working there?---Not particularly, no.

Well, did you learn from him, for instance, that there was some contract work that he was involved with that included the use of steel structures? ---At that time, no, I didn't know that.

40

Well, thinking back, what's your best recollection as to how M&M Inspections first comes to do some quality work for the RMS?---He asked me whether I was interested in doing some work for, for the – at that time I was working on the mines, I was travelling interstate all the time.

So it was predominantly doing work in mines?---Yes.

But quality work in the mining sector?---Yes.

So you're travelling, was it to WA and to Queensland?---At the time I think I was travelling to South Australia.

But you speak to Craig and you're aware he's working for the RMS.---Yes.

And he says something to you about whether you might be interested in doing some quality work for the RMS?---Yes.

And I take it you were interested.---Yes.

10 And did he say something about the type of quality checks or quality inspections that might be required by the RMS and what that would involve?---Yes.

What did he indicate to you as to what would be involved and what type of inspections would be required?---It will be ongoing inspection on steel structures.

And did he provide any more detail about the type of steel structures that might be involved?---Yes, they were structures for point-to-point cameras.

20 So did he explain that there was, one of the camera systems that the RMS used was a point-to-point camera system?---Yes.

And that they were mounted on steel structures located around the state? ---Yes.

Did you understand that they were – I'm going to use the word "gantry". I don't know if that is a word - - -?---A gantry is the bit at the top, yes, the bridge.

30 And I take it you subsequently learnt that the steel structures involved a vertical structure and then a horizontal gantry.---Yes.

With the cameras mounted onto that.---Yes.

So did Craig explain to you that the RMS had a number of those cameras mounted on those steel structures around the state and that what he was after was some sort of quality checks in respect of them?---Yes.

40 Did he indicate, for instance, what that would involve, whether it involved the manufacture of them or the installation of them or checking their integrity when they were onsite?---It started with just checking on the fabricator to make sure that they met the, the requirements of AS 1554, which is the structural code.

So is that the Australian Standard that applies to - - -?---To steel structures.

Steel structures.---Yes.

So it started in that way, did it, so that what he initially asked you to do was to go to the fabrication - - -?---Manufacturers.

The workshop that the fabricators operated and to check the steel as it was being fabricated?---That's correct.

10 And did that – but did that change over time to involve something else?---It later went to the point where I had to – where I was asked to visit the sites and made sure that they were actually doing the, the, the mechanical side of it, the bolting up of the structures, to, to the, the, the bedding on, on, on the, on the roadside, that they were correct, the dimensions were right, they were in the right position. They were, yeah, maintaining the right height above the road, that type, those type, types of checks.

So initial inspections in the fabrication workshop to check that it's being fabricated to the appropriate standard.---Yes.

20 But then is the second part going to site, where some other company or some other organisation might be installing the structures - - -?---Yes.

- - - and checking that the installation is as per requirements?---Yes.

Now, can you recall, after that initial discussion with Mr Steyn, whether that then might have led to a meeting with another one of his colleagues at the RMS?---Yes.

And was that Mr Dubois?---Yes.

30 And can you recall what Craig asked you to do? Did he ask you to go and meet with Mr Dubois for some purpose, to discuss something?---We, we met at the, at the fabricator.

And who was present?---Both Mr Steyn and Mr Dubois.

And was that fabricator a company CT Fabrications?---Correct?

So that's the initial meeting before you did any RMS work.---That's right.

40 And what was the nature of the discussion at that meeting?---It was more to outline what was required for me to, to do.

Now, this may assist in terms of time frame. Can I ask that you go, please, to volume 14.1, page 17. You'll see this is an email from you at, it's using a particular email. It looks like, was that your private email address?---Yes.

Do you have one as well for M&M Inspections or is that the M&M Inspections account?---That's, that's the only, the only one.

Or do you use that for everything?---Yes.

You send it to Mr Dubois on the 26th, on Australia Day 2015, and you refer to some discussions on Friday, 23 January, 2015. See that?---Yes.

And is that reference, the discussions, is that a reference to the meeting that you've just described at CT Fabrications with Mr Dubois and Mr Steyn?
---Yes.

10 Now, what you do in the email is then provide a quote, a brief quote but a quote for \$20,000 to do QA and QC activities.---Yes.

So QA I take it is quality assurance?---Yes.

QC quality control?---Yes.

And you note that this is going to involve procedure review and implementation and progress inspection of fabrications.---Yes.

20 Do you recall at the meeting that you had at CT Fabrications, first of all I take it you were shown what they were doing?---Yes.

And were you give some description by either Mr Steyn or Mr Dubois as to what it was they wanted you to put a proposal in for as regards the work that you might do for the RMS?---Yes.

30 So what did they explain to you was going to be involved and what did they ask you to cover in any proposal that you put in, and first of all, who spoke, who was the one that asked you to put the proposal in?---I think at the time it would have been, might have been Mr Dubois.---Right.

Do you recall him speaking - - -?---(not transcribable)

- - - more than Mr Steyn at the meeting?---Yes.

All right. By the way, do you recall whether either Mr Steyn or Mr Dubois said to you who was responsible for the point-to-point camera program?
---No.

40 You can't recall whether they indicated one or other of them was responsible or both were?---No. I thought they both were.

In any event you say Mr Dubois speaks to you at the meeting, and what does he ask you to cover in any proposal that you're to put in?---Now, to, to carry out inspection on the fabricator from the start and do progressive inspections throughout the, till the completion of the fabrications.

Is that a description of what it was you were to be inspecting and checking?

---Yes, including testing.

But were you given any description at the time as to what should be included in your proposal or quote, what it needed to cover, what the content should be?---No, it was an unknown.

Were you given any guidance as to a figure or was the \$20,000 figure that you came up with literally your estimate as to what might be involved?

10 ---No. It was just a dead figure that, that was sort of proposed. There was no way – excuse me – that I would know how long a fabricator would take to fabricate the structure. It could go on for three months, it could go on for six months, I had no idea.

But did you say a dead figure, is that the term you used?---No, no, I'm saying it's just, just a figure sort of I sort of calculated in my head. I wouldn't - - -

20 So you weren't given any guidance as to what the sum that the quote or proposal would cover?---No, but I was, I was told that I needed to just give a bucket price and I would claim as I went along.

Did you understand what a "bucket price" meant?---I understood it to be an amount estimated and that as I, as I did my inspections I would send them an invoice and it would come out of that money up until the point where it was finished or whatever to go into a new contract.

30 So is this the idea, that they asked you to put a – when you meet with Mr Steyn and Mr Dubois you're asked to put in a proposal to do ongoing inspections.---Yes.

You're not given any guidance as to a figure, so that part's correct, isn't it? ---Yes.

You come up with \$20,000 as a rough estimate as to what might be involved in doing inspections for a period of time for CT Fabrications.---Yes.

40 But without knowing for instance whether you might inspect once and everything was fine and there's nothing more required, or you might need to inspect five or six times.---Five or six times is a really, really, really few times to do it.

So it could be a lot more than that?---A lot more than that, yes.

But the idea is, I take it, from what you were asked, you thought that you give the figure, but then there's an approval up to that sum, being the sum in the bucket, to use your term?---I suppose, yes.

And that you then render invoices to reflect the actual required inspections as you go?---Yes.

With the idea that you'll keep doing that until the bucket of funds is emptied.---Or hopefully not.

Well, if it needs to be.---Yes.

10 And then there might need to be a new proposal so that a new bucket can be created.---Correct.

So that's what you understood you were being asked to do.---Yes.

Now, do you recall that after submitting this, that you had some contact from Mr Dubois about what you'd quoted?---I, I don't remember.

20 Can we go, please, to page 18, and you'll see now the following day, the 27th, instead of just sending an email with the price of \$20,000, you send an email to Mr Dubois now attaching a letter of proposal for QA, QWC coverage.---Yeah.

And you say, "For the fabrications as discussed earlier."---Yes.

And you also included some bank statements.---Yes.

30 And if we go to the next page, please, you'll see that you've attached a Commonwealth Bank statement for M&M Inspections Pty Ltd and it looks like an account that at that point was run as – that company was trustee for the Duchesne Family Trust?---Correct.

And then if we go to the next page, you've now, beyond just providing an email, you've provided a written proposal, and this is RMS001, dated 27 January, 2015.---Yes.

So, do you think looking at that now that it was Mr Dubois who said, "You actually need to give us a written proposal, something a bit more than the detail of the email"?---Yes, yeah.

40 All right. So, looking at this now, what you proposed on 27 January was \$27,000 and based on doing QA and QC coverage for eight weeks.---Yes.

So, the eight weeks wasn't something that you suggested in your initial email, but do you believe that there was some discussion with Mr Dubois where you, through discussion with him, arrived at the idea that it might be up to \$20,000 and that that would be for work that you would be doing, QA/QC work for perhaps eight weeks?---I, I think at that time they estimated that the, the work would be completed in, in four weeks.

In four?---In four weeks. Oh, sorry. In eight weeks.

All right. And if we could go then, please, to page 22. Do you see that on 28 January, you send a revision, it's Proposal Letter Rev.1.docx?---Yes.

And you say in your email that you're sending a revised proposal.---Yes.

10 And if we go, please, to page 23, do you see that the proposal has now changed? Instead of proposing \$20,000 over an eight-week period, you've now simply noted, "No lump sum at all, but an hourly rate and a kilometre allowance for travel."---Yes.

And do you recall how you came to change so that you went from lump sum to just hourly rate?---Yes.

20 Do you recall, was there some discussion with Mr Dubois or Mr Steyn about that?---Yes. Because at this point here, there was also the additional requirement for reviewing welding procedures and implementing quality procedures. So it's, it's not just the inspections anymore,

Oh, so this was now covering something beyond just the CT Fabrications and inspections?---Still, still with the CT Fabrications but it meant, they had no welding procedures in place, I had to actually get them to establish welding procedures.

So create procedures themselves?---Create documentation, yes.

30 So was there a discussion that you recall where you were told, "Look, this is not going to be a \$20,000 lump sum job anymore. We don't know how much it'll be. These are the things you need to do, just do it on an hourly-rate basis"?---I think it still stayed. I, I'm not sure but I didn't, there was no change in, I don't think there was a change in the, in the price.

Well, just in that regard, do you recall that you were told not long afterwards that your proposal had been accepted and that you were to start work?---Yes.

40 And do you recall that you were informed that there was a process where you would bill, that what was known as a purchase order needed to be created?---Yes.

So that for each particular invoice you would send, there would be a purchase order number that you needed to cite in that invoice?---Yes.

To refer back to the approval that had been given for the work?---Yes.

And if we could go, please, to – I withdraw that. Do you have any recollection of being told that in fact the approval that had been given was

for \$10,000 rather than the \$20,000 that you had put in in your initial proposal?---No, can't remember.

Can we go, please, to same volume, page 41? You'll see there's a series of emails here, but do you see on the, about halfway down the page, 5 February, 2015, at 2.28pm, Mr Dubois sends you an email?---Yes.

And he sends you on the attached purchase order for the works. You see that?---Yes.

10

And you'll see from the heading of the email at the top, the number ends in 0917.---Yes.

And he also says in the body of the email, on 5 February, that needing to ensure that, with your invoice, you had the address, that it was to the RMS, to Mr Dubois, and that purchase order number.---Yes.

And you'll see that he was forwarding you an internal email from the RMS. It's down at the bottom of the page.---Yes.

20

And if you go over the page, you'll see that it indicated a purchase order number, Mr Dubois' name and also that the amount that was approved was 10,000.---Yes.

So do you recall ever being told that, in fact, what had been approved for this contract was \$10,000?---By the document, yes.

Can you recall ever being told that by Mr Dubois or Mr Steyn, that that was the sum?---No.

30

In any event, you began doing the work and you began issuing invoices, correct?---Yes.

And indeed, if we go back, please, to page 41, do you see that you've actually included in the chain of emails on 11 February, 2015, you actually send your first invoice. And you refer in the heading to the purchase order number ending in 0917.---Yes.

40

And if we go ahead, please, to page 43, you'll see this is invoice number RMS001.---Yes.

Dated 12 February, 2015. And I take it from that designation in the number, this was indicating through your record keeping system that this was your first bill for the RMS?---Yes.

And down below you'll see that there's the reference to the purchase order number. You cite that twice.---Yes.

And you actually then set out a description of the work you've done and the dates, including that you've been doing work at CT Fabrications in Ingleburn.---Yes.

And you'll see that the total of the bill was 1,833.70.---Yes.

You then continued doing work under this bucket, didn't you, to continue doing the inspections with CT Fabrications?---Yep.

10 And if we could go, please, to page 46. Do you see on 11 March you send through invoice number 2 as well as saying a little bit more in the email body about the work you were doing? So see that? 11 March, 2015, 4.47. ---Yes, yes.

And again it's to Mr Dubois. And if we go, please, to page 48, you'll see invoice number 2. There's a list of dates there, which I'll come to in a sec, but again you cite the purchase order number. Correct?---Yes.

20 With the dates that are referred to there, is all of that work that's been done at CT Fabrications?---Yes.

So that the reference to "in process inspection" involves going to the CT Fabrications workshop?---Correct.

You'll see the total of this bill is \$5,130.40. Correct?---Okay.

If we could then go, please, to page 49. You'll see on 24 March you send invoice number 3.---Yes.

30 And if we go to the next page, page 50, you'll see there is invoice number 3. Again, the same purchase order number and this time the total is \$2,389.20. ---20, yes.

And again I take it the reference to inspections is you attending the CT Fabrications workshop to do the inspection?---Yes.

So take it from me that the first three invoices, when you add them up, come to \$9,353.30.---Yes.

40 That's almost the end of the bucket as far as that initial approval, correct? ---From that 10,000, yeah, that, yes.

So that would then mean that you were in a position where you needed to put in a new proposal so a new contract could be created?---Correct.

All right. And if we could go then to page 52 of the same volume. And we're now moving into 2016, not 2015, but do you recall being told that

there was a new purchase order number that you were to use for a contract with a value of \$20,000?---(No Audible Reply)

You'll see this is a purchase order request for M&M Inspections.---Yes.

And you'll see the description of works is – I won't read it out but it relates to the quality works you were doing.---Yes.

10 And ultimately the value on it was \$20,000 and you'll see it's signed by Mr Dubois and approved by Samer Soliman on 27 April, 2016.---Yes.

Do you recall in 2016 learning that there was now, in effect, a new bucket of \$20,000 and you were to continue doing the inspection work?---Yes, there were more, there were more structures.

Again, it was gantry structures for point-to-point.---Yes.

20 So there were further – were they structures being erected that you needed to do the inspections on?---More being fabricated, yes.

Then if we could go, please, to – sorry, just before we leave that page, if we could go back, please, to page 52. You'll see the purchase order number now ends in 6434-10.---Yes.

And it's the case, isn't it, you then did ongoing works and you bill under this purchase order number for a period, correct?---Yes.

30 And if we could go then, please, to page 68. You'll see this is a 16 June, 2016 email to Mr Dubois where you're submitting another invoice.---Yes.

And if you go over the page, please, you'll see this is now invoice number 4, RMS004.---Yes.

And the sum is 2,708.86.---Yes.

And again are these references to visits at the CT Engineering workshop or actually going to site now?---Yes.

40 Sorry, which?---No, that, um, oh, the site would have been CT Fabrication.

Now, it's the case, isn't it, that from time to time you prepared reports confirming the different inspections and quality work you'd done?---Yes.

Did you do it with every job or every attendance, or was it more intermittent than that?---I think it, I think it was done sort of on a weekly basis. It could have been weekly.

Well, can we go then, please, to page 70. And you'll see on Sunday, 17 July, 2016, you send an email to Mr Dubois attaching your report and invoice for inspections carried out in June/July?---Yes.

You also note there that you had engaged ARL Testing for the NDE at CT Fabrications.---Yes.

10 Now, ARL – I withdraw that. NDE is – is it non-destructive-type testing? ---The “E” stands for “examination”. Yeah. Some of them will say NDT, which is non-destructive testing.

Does it mean the same thing?---Same thing, yes.

So this is a company that comes in and, in effect, takes a little sample, but not in a destructive way, in order to check things?---Yes.

Check the integrity of the work.--- Yes, it's, it's virtually a visual inspection and sometimes it would be ultrasonic testing, that's all.

20 Now, if we go over the page, please, do you recognise this as the format of the report that you would prepare from time to time?---Yes.

And in this instance you're – so this is the report that you're providing on 17 July. It's dated the day before. See that?---Yes.

And it says report number 2. Do we infer from that that there would have been one earlier report that you'd done, presumably in 2015, as part of the works back then?---Um - - -

30 That is, for the RMS.---Yes. There might have been one done in a different format prior to that. I'm not sure.

Now, just on the right, do you see under the date it's got “Intertek data”. ---Yes.

Is that just - - -?---That's just - - -

40 Have you used a template document that you'd used for Intertek in the past?---I'd, I'd used this for quite a few clients, yes.

So Intertek's name just got left on there by accident.---By accident. The same at the bottom.

Now, down below in the report, you indicate “Supplier, Seina Group.” ---Yes.

And “primary contact, Harry Alameddine”.---Yes.

And the project name is “point-to-point cantilever bridge structures”.---Yes.

And you’ll see down below you also indicate CT Fabrications is the sub-supplier.---Yes.

And you’ve noted their Ingleburn address there.---Yes.

And the contact being Charles Tabone.---Tabone, yes.

10 And in the section down below, headed Inspection Summary and Conclusion, under Observations you’ve referred there to a meeting, that is a meeting with Mr Dubois, Mr Alameddine and Craig Steyn in Parramatta on 29 April, 2016.---Yes.

Just pausing there, were you introduced to Mr Alameddine by Mr Dubois or Mr Steyn?---By them both.

20 And were you told that his company, Seina Group, was doing something in respect of the steel structure?---Yeah. He was the contractor in charge of the, of the structures.

That is installation of them?---No. I was, he was the one that was handling the fabrication.

Well, wasn’t the - - -?---And he - - -

Sorry, please go on.---Okay. And he subcontracted it to CT Fabrications, who were the fabricator.

30 So he was the contractor who was engaged, not to install the structures but to - - -?---At that time that’s all I knew.

And I’m asking you based on what you were told.---Yes.

You were told that Seina Group, Mr Alameddine’s company, was the direct contractor with the RMS for the fabrication?---Yes.

And that it had subcontracted to CT?---Yes.

40 And as far as you were aware, CT, from your visits to the workshop, was actually doing all of the fabrication work?---Correct.

Did you have an understanding of what Mr Alameddine was actually doing?---No.

But I take it you met him at this meeting that’s referred to on 29 April? ---Yes.

And it says in Parramatta, was that at the RMS offices?---We never ever had a meeting inside the offices. We might, we might have - - -

Perhaps in a café or something or - - -?---Might have been at, at, at, at, over coffee or something at a café.

10 And what do you recall was the nature of the discussion at the meeting? Was it to inform you about what Mr Alameddine was doing or what Seina Group was doing or what the RMS was doing?---Can I actually see the report?

Yes.---It might give me an idea.

So there are a number of pages and you can go through them. There's actually four pages and then some photos. So, if we go to the next page, please. And when you've been through it and you're ready to go over to the next page, please let us know.---Okay. Yes.

20 You've had a chance to go through that now?---Yes.

And if we go to page – oh, you're on 74 now. Just pausing there, does that assist you in knowing what it was you were told about the purpose of the meeting and what it was that Seina Group was doing, what it was you were to do?---Yes, I, I think actually, we had a meeting and went to the workshop. For me to, to have written that report, I would have had to go to the workshop and go to an inspection to do that.

With Mr Alameddine as well?---Yes.

30 So what were you told – can I go back a step? Was this the first time you believe you met Mr Alameddine?---Yes.

And do you recall who introduced you?---It would have been both Craig and Alex at the time.

And you've told us that you were advised that Mr Alameddine and his company, Siena, were the contractor to do the fabrication. Can you recall being told anything else about him or his role?---Not at that time, no.

40 If you look on the report on page 74 where we currently are, it will show that it lists you as the inspector. The lines don't quite line up, but Mr Alameddine as the project manager for Seina Group and Mr Dubois as the project manager for RMS. Do you see that?---Oh, yes. Yeah, okay. Yes.

But when we go back to page 71, you do refer there to a meeting on 29 April with Mr Steyn there as well. Given that it seems, according to your report, Mr Dubois was a project manager, what did you understand Mr

Steyn's role was in all of this?---I would have thought he would have been in the same category as Mr Dubois.

But you haven't listed Mr Steyn as the project manager for it.---And it's not intentional.

Where you've recorded who was the project manager though, was that based on some information you were given by either Mr Steyn or Mr Dubois?---No.

10

Weren't you - - -?---I understood that Mr Dubois was the project manager.

And he's who you'd been dealing with in the past in respect of the 2015 works that you'd done inspecting CT Fabrications' works. Correct?---Yes.

Now, if we go then, please, to the photos. You'll see, if we start at page 75 and they run through to page 80 – tell us when you've seen each page and we can move to the next.---Yes. Yes. Yes. Yes. Yes. Yes.

20

Were they all photos taken at the CT Fabrications workshop?---Yes.

And if we then go, please, to the last of the attachments with your email, which is at page 82, and that's your invoice.---Yes.

And that's the invoice you sent, then, RMS005, that accompanied the report. Correct?---Yes.

30

And you'll see that it cites the purchase order number, which is the number that was recorded in the purchase order document I took you to earlier with the price of \$22,000.---Yes.

And do you recall that as you had with the earlier contract, that you did the inspections as required, submitted invoices as you went, to use up whatever money was required to – well, I withdraw that – you submitted reports to reflect the inspections that you'd done.---Yes.

Inspections that you needed to do to check the quality of the works.---Yes.

40

With the understanding that you could keep doing that until the bucket had been exhausted, if that many inspections were required.---Or until I was advised differently.

Now, just pausing there, do you recall ever being paid by Mr Alameddine or Seina directly as regards any inspections that you did on the RMS jobs? ---RMS, yes.

And just in that regard, could we go, please, to volume 14.3, and page 2. And do you recognise that this is the CBA account that you run for M&M Inspections?---Yes.

And you'll see the account number ends in 4-0-3-8.---Yes.

You'll see that this is a series of statements that appear in 1 February, 2015 to 30 April, 2015.---Yes.

10 Can I ask you to go ahead though to the next page, page 3. You'll see that it's the same account number, 4-0-3-8.---Yes.

But this is now, you'll see, I'm going to suggest, 2016. And can I ask you to then go ahead, please – I'm sorry, that is still 2015. Can I ask you to go ahead, please, to page 9. And you'll see on 7 June there's a highlighted transaction, so this is again, the account number is 4-0-3-8, it's your M&M Inspections CBA account.---Yes.

20 And you'll see transfer on 7 June from CBA Netbank, Steel Inspections, \$1,100 credit.---Yes.

Do you see that?---Yes.

And just to then tie that up, please, could we go to same volume, page 34. And you'll see we are now looking not at a CBA statement for you, but a CBA statement for Seina Group.---Yes.

And you'll see that the account number ends in 5-1-4-7.---Yes.

30 And we're looking at the period 31 March to 16 June, 2016.---Yes.

And if we go over the page, please, to page 35, you'll see that the \$1,100 credit that you received on 7 June is a debit against the Seina Group. ---Yes.

And it seems that whoever's created the transaction, done the EFT, for Seina Group has saved it or entered it as Steel Inspections.---Yes.

40 So is this the case, that in 2016 you were doing quality work for the RMS - - -?---Yes.

- - - that involved in part inspecting the work that Seina Group was doing as the fabricator?---Yeah, yes.

And is it the case that separate to that you were paid 1,100 on 7 June by Seina Group to do the inspections of its work?---Yes.

Can you explain how it was that you were, in effect, being paid by two people, the RMS and Seina Group, for what seemed to be the same work?
---The, the inspection was a result of repair that had to be done because the work was found to be defective, and the, I think it was Alex said he's not prepared to pay for, for the repair. They, they, he had a, or should I say Seina Group had to repair it on their own back and pay for that repair.

10 So Seina Group had to pay the RMS, sorry, or just had to do the work?
---They had to repair it at, at their own expense, rather than charging RMS for it.

Right. So - - -?---Which is, which is in the code as well.

But what I don't understand, though, is why were you being paid by Seina Group? I mean, you didn't do the repair, did you?---I would, I, I, I had to go back and reinspect the repair after that had been done.

20 But weren't you issuing bills to the RMS in this period?---For, for the initial reinspection, yes.

So do you say for this - - -?---When the defect was found.

So do you say that there was a bill to the RMS for initial inspection - - -?
---Yes.

- - - but any, the bill that you then rendered to Seina Group was not a sum that you also billed?---No, it wasn't the same, no.

30 So there was no bill to the RMS for the same task.---No.

But in effect now you were being paid by two different clients to do quality checks as regards Seina's work. The RMS and Seina itself.---Yes.

Do you recall that you got a second payment from the Seina Group at around that time?---Yes.

40 And if we could go, please, to same volume, 14.3, page 10. And you'll see on 11 July – so this is again the statement for M&M Inspections, you'll see 4-0-3-8 is the account number. And you'll see there's a credit on 11 July, 2016 for \$5,000 with the description "ISO and eng fees." See that?---Yes.

And if we go then, please, to same volume, page 37. And you'll see this is now not your bank statement. This is the one for Seina Group. Ends in 5-1-4-7.---Yes.

You'll see same date, 11 July, there is the transfer, which is a debit against Seina's account for ISO and eng fees, \$5,000.---Yes.

Are you able to assist us as to what it was that Seina was paying you for on that occasion in the sum of \$5,000?---It was for preparation of the documentation and procedures for his ISO system because he had - - -

Sorry, what's ISO short for?---International – it's a quality standard, that Mr Dubois had requested that they become ISO compliant or certified.

So Mr Dubois asked you to have them do that or - - -?---Yes.

10 So did you then undertake the work to, what, was it to prepare paperwork?
---Yes.

And did that paperwork have to be submitted to some authority?---He would have to take it from there to get it certified, for a certified company to certify him.

And did you have either qualifications or certifications to prepare documents to make someone ISO certified?---I, I already done that role for, for companies prior, to get (not transcribable)
20

But did you need to hold some qualification or certification to do it? Or could anyone do that?---Anybody could do that. It's the certifying that we have to be qualified.

Sorry, it's the - - -?---If you've got a certifier company, you have to be qualified, and I didn't do the certification.

So you prepared the - - -?---I only did the preparatory, preparatory work to get them to that point before they brought in a qualified person.
30

So you in effect draft the paperwork and it's up to them to then take it to some authority to be certified?---Yes.

And do you know who the authority was that you applied to be - - -?---They didn't, they didn't get to that point.

But do you know who the authority is?---Oh, there is WorkCover Australia was one of the companies that would, would do that type of stuff, yeah.

40 So the \$5,000 fee that you were paid for this did not relate to doing quality checks on their work, this related to paperwork you had prepared for Seina?
---Correct.

Now, it's correct, isn't it, that in 2016 you then continued doing your work for the RMS?---Yes.

And that involved going to the CT Fabrications workshop and checking the work that ultimately was fabrication that Seina Group was responsible for?
---Yes.

And you continued to render invoices as you did the work, correct?---Yes.

And if we could go, please, to page 85. Oh sorry, back at 14.1. Do you see on 3 August, 2016, you send an email to Mr Dubois and you refer there to – it looks like you’re chasing him, seeking a new email address and order
10 number for the reports and invoices. Do you see that?---Yes.

And you’re also indicating that you had received bills now from ARL, who had done the non-destructive testing inspection?---Yes.

So ARL being the NDT subcontractor you had engaged?---Yes,

And we go then, please, to page 85. You’ll see on 17 August, 2016, you submit your next bill, invoice number 6, correct?---Yes.

20 And if we go over the page, you will see the tax invoice, so it’s RMS006.
---Yes.

You’ll see here that there seemed to be some confusion as to purchase order numbers. The purchase order number at the top is 6434, which was the purchase order number from the approval I showed you before, the \$22,000 approval.---Yes.

30 But down below, you’ve got a different number 4101.---Yeah. It’s a typing error.

Do you know how that came about or was it just a - - -?---That’s just a typing error. I’m not the best at - - -

Well, they’re completely different numbers though, Mr Duchesne. You see - - -?---Yes. As I say, it’s, it’s a typing error. I, it most probably was 6434 at the top, which was a continuation of the numbering from before.

40 In any event, you’ve got various dates of doing work that are listed in the invoice.---Yes.

And I take it that’s how you’d break your bills down. When you’ve got a bill you set out the date of the work and at least a brief description of what’s involved.---What is involved, yes.

Does this again involve attendances at CT Fabrications?---Yes.

And then also you’ve got the cost at the bottom for the ARL NBT services.
---Yes.

Do you recall that Mr Alameddine would be present from time to time when you went to CT Fabrications?---Some of the times, yes.

Were there many occasions when you went there and he wasn't there?

---Yes.

Would it be the case that most of the time he wasn't there?---I don't know, I would say 50 per cent of the time that I went there he wasn't there.

10

And if you go to the next page you'll see that you've attached as well the actual invoice from the ARL company that was doing the NDT testing for you.---Yes.

Now, it's the case, isn't it, that through 2016/2017, you continued doing work of this type for the RMS?---Yes.

And do you remember in early 2018 that you put in a new proposal, that is for a new contract of works?---Yes.

20

And do you recall how that came about? Do you recall whether it was Mr Steyn or whether it was Mr Dubois who asked you to put the new proposal in?---I'm not sure which one.

If we could go, please, to volume 14.1, page 142. And you'll see on 2 February, 2018, this email was actually to Mr Steyn and CC'd to Mr Dubois but you head the email, "Hi Alex." And you say, "Please find my proposal for expediting and inspection specific to fabrication and erection of bridge structures."---Yes.

30

And if we go over the page, please, to page 143, you will see that this is RMS Proposal 002.---Yes.

And just looking at the date, it looks like you might have used RMS001 as the template because you've, the date of this is actually 28 January, 2015, rather than 2018.---Oh, yeah.

And you'll remember 2015 was when your RMS001 was put in.---Yep.

40

Now, again, this is headed "Attention: Alex Dubois". Can you recall why it was you were sending the email to Mr Steyn, copying it to Mr Dubois but making the proposal, marking the proposal to Mr Dubois' attention?---On all my correspondence I tried to include them both.

Well, you don't include them both in the proposal. It's actually - - -?

---Yeah. That's, yeah.

- - - "Attention: Alex Dubois" and "Dear Alex".---Yeah.

Can you recall why that was if the email was sent to Craig?---Why I had him as the, as the first one rather than as a copy to? No, I didn't find, I didn't think it was in, in, in, it most probably was intended to go to Alex, but I copied Craig in and I just got them back the other way around.

Thinking back, could it have been that it was Craig who told you that it was time to put in a new proposal?---Could have been but why would I be sending it to Alex, though?

10

Well, that's what I'm trying to understand.---Yeah, yeah. I mean, yeah.

If you can't remember, you can't remember.---No, I can't.

All right. If you look at the actual detail of the proposal, you've now proposed an hourly rate and capped at \$45,000 for the works that you're quoting for.---Yes.

20 And are you able to say how it was you arrived at that sum?---Oh, this one I think included about four bridge structures.

But was the sum something that you arrived at? Or was the sum something that Mr Steyn or Mr Dubois told you that you should - - -?---They would have said, they would have given me an estimate as to how long it would be.

Sorry, how long or the cost?---How, how, how, how much it would cost.

30 So there would have been some figure cited that led you to then put \$45,000?---Yes, correct.

Now, if you could go, please, to the same volume, page 144. Do you see that after you send that proposal, you get an email from Mr Dubois, copied to you and Mr – sorry, to you and to Mr Steyn, asking – withdraw that. Saying that, “Thanks for the proposal. I'll review and provide a response shortly.”---Yes.

40 And do you recall whether you got a response, whether you were told that this was acceptable or not?---I most probably would have if I've gone ahead and done the job.

And if you go, please, to page 145.---Yes.

You'll see that there's an actual contract creation document dated 20 February, indicating that the contract was being created for \$45,000 of works for M&M Inspections.---Yes.

If you go to the next page, on 20 February you'll see the requestor was Mr Dubois and the approver was Mr Steyn.---Yes.

And it's correct, isn't it, you then did the works consistent with this contract, knowing that there was a bucket approved on this of \$45,000?
---Yes.

If we could go, please, then to page 167. And you'll see that on 1 March, 2018, you get an email from Mr Dubois, forwarding on you the details in respect of the purchase order.---Yes.

10 So you're therefore aware of the number ending in 3340 and the approval of the sum and the bucket of \$45,000.---Yes.

And it's correct, isn't it, you then continue to do the work and render invoices consistent with what you understood was the approved sum?---Yes.

Now, do you recall in 2018, in about April and May, you're doing some works in country New South Wales?---Yes.

20 And can you recall in particular that that involved, for a period, doing some works in the towns of Narrandera and Jerilderie?---Yes.

Just thinking about that work, do you recall, first of all, was Mr Steyn present?---Yes, they were both present.

That is, Mr Steyn and Mr Dubois?---Yes.

Do you recall that at or around that time there were other people present as well?---Yes.

30 Thinking about them, was Mr Alameddine there?---Yes.

Do you recall meeting some other contractors that were working in this area that Mr Dubois and/or Mr Steyn were using?---Yes.

And do you remember – you may, I don't know if you remember their names or nicknames. Do you remember a Mr Barrak Hadid, known as Baz?---Baz, yes.

40 And Mr Chahid Chahine, known as Hoody.---Hoody, yes.

Do you recall them being present at those works as well?---Yes.

Finally, do you recall – I'm going to go back a step now – you had met at some point Mr Steyn's father-in-law, Peter Manuel. Correct?---Yes.

Is it the case that he'd been to Australia before 2018 and you had met him while he was out here?---Yes.

And you'd formed some type of friendship?---Hmm, yeah, I met him. We didn't become instantaneous friends or anything like that.

Well, could I ask this - - -?---But I did meet him, yes.

Thinking about after the period of his first time in Australia when you met him, did you have his contact details?---No.

10 So when he – I withdraw that. Were you aware that he then went back to South Africa for some years?---Yes.

Did you have any contact with him over that time?---No.

So you wouldn't have even had details with which to contact him, I take it? ---No.

But he arrives then in Australia, you learn, in 2018.---Yes.

20 And do you recall that he was present down during this works in the Narrandera and Jerilderie area?---Yes.

I'm going to come to why he was there and on what basis he was present, but you can recall then each of the persons I've listed as being present during those works. That is Mr Alameddine, Baz, Hoody, Mr Steyn, Mr Dubois and Mr Manuel.---Yes.

30 Now, do you recall that it was during that works, that period of works in April and May 2018, that you were submitting bills consistent with the approved funds that there were in the bucket I took you to earlier, \$45,000. ---Yes.

Now, do you recall then doing a further proposal in 2018?---Most likely.

Do you recall that that second bucket of funds, the \$45,000 was used up in doing the various inspections, given the different gantries being installed? ---I'm not sure.

40 Can I ask you, please, to go same volume, 14.1, but to page 254. Now, you'll see this is an email to Mr Steyn alone, dated 22 May, 2018, with a now proposal number 3.---Yes.

And you'll recall proposal number 1 I took you to was in 2015.---Yes.

Proposal number 2 was in early, or earlier in 2018?---Yes.

And do you recall then providing this further proposal?---I don't remember what it was yet. If it's there, yes.

Your email indicates - - -?---If it's - - -

- - - that it's for the period starting 22 May.---Yeah, yeah.

And logically it would have been, I take it, a new proposal because whatever was approved under the last proposal had been completed?
---Maybe not, maybe if there was another project that was being planned.

10 So it's possible that these were overlapping then with proposal number 2.
---Correct, yes.

If we could – so pausing there, you'll see that it's the email is to Mr Steyn, not copied to anyone else, but if we go to the proposal, please, at page 255, you'll see that proposal number 3 is marked to the attention of Alex Dubois and headed, "Dear Alex."---Yes.

20 Now, can you think of why that was and whether that was deliberate, that it was actually for his attention?---I don't remember now whether that proposal was actually for Alex or whether it was - - -

Is it possible that this was actually just you again using your earlier templates and having left Alex from the earlier version?---It could be that the name was, was stuck on there, yes.

Then if you look at the bottom you'll see that the pricing that you were proposing was \$80 an hour, capped at \$35,000.---Yes.

30 And again is it likely that that was reflective of something that Mr, in this case, Steyn had said to you as to what should be the approximate price for this next phase of works?---Yes.

Now, if we could go then – I withdraw that. Before we go to any further pages, do you recall that Mr Steyn asked you to make some changes to this proposal?---I don't recall but it's possible.

Can we go, please, to page 257, and you'll see an email from Mr Steyn to you on 22 May, 2018 at 3.26pm. So not the top email but the one just down.---The one above, yes.

40 And you'll note that he indicates in there that you'll need, "That will need to be addressed to myself for the average-speed camera program as I will need to create a PO for your services."---Okay, yes.

And you see you then, at the top of the page, send a revised proposal on the same day, 22 May?---Yes.

And if we go ahead, please, to page 260, this is the attachment you send as the revised proposal. So you do readdress it to attention Craig – sorry, just lost it for a sec – “Attention Craig Steyn.”---Yes.

But it seems you’ve left, unfortunately, the words, “Dear Alex,” still on it. So you’ve made one change but not the other. But do you see if you go down to the body of it, otherwise the proposal is the same, \$80 an hour and capped at \$35,000.---Yes.

10 If we could go then, please, to page 262, and do you see Mr Steyn sends you an email on 22 May at 4.10, and you’ll see there are two attachments to it. ---Yes.

And what he says is, “Please review the attached, which is the original you sent, and an adjusted version which was more in line with our expectations. Please review and make any necessary adjustments then submit at your earliest convenience.”---Yes.

20 Do you recall that Mr Steyn in fact sent you back what you’d sent him and then sent him what he thought would be the appropriate form of the proposal?---The proposal, yes.

And if you go ahead, please, to page 264, you’ll see that that is your original proposal, in the sense that it’s not the original one that was marked, “Attention Alex Dubois,” but it’s the revision you sent that changed just the name.---Yes.

30 But otherwise that it’s an hourly rate of \$80 an hour and \$35,000 capped. ---Yes.

That’s the first document he attached, but he also attached, if you go to page 267, his revised version. And you’ll see for instance it’s in a table whereas yours wasn’t.---Okay, yes.

And it also, rather than having an hourly rate of \$80 per hour and capped sum of \$35,000, it now has a fixed cost of \$35,000 as well as an hourly rate. ---Mmm, yeah.

40 Do you recall having any discussion with him as to why this was now a fixed cost rather than a capped sum?---No.

In any event, you took on board what he suggested, didn’t you?---Yes.

And you then sent back the proposal to him which had been revised in the manner he’d asked. Correct?---Yes.

And if we could go, please, to page 274, you’ll see that after he sent you that email at 4.10pm asking you to, well, review the attached, your original and

the adjusted version and then come back to him, you then on the same day but at 8.49pm, you send the revised quote.---Yes.

And if you go ahead, please, to page 281, you'll see that you've used his revision in its entirety, with the only thing you've added at the bottom, "Director Martin Duchesne," and date, "22 May, 2018." And if you want, we can go back - - -?---Yes, it's the same.

10 - - - to the version he sent, but you've accepted all of his proposals and just added your details. Correct?---Correct.

Can you recall any other occasion when he in fact took your quote and changed it and then gave it back to you?---Possibly. I can't recall exactly, but it's quite possible.

But is it the case you can't now recall anything as to why it was Mr Steyn wanted to change the way you'd put your proposal together to what he then sent back to you?---I, I didn't think anything of it at the time.

20 If we could then go ahead, please, to page 288. You'll see that on 29 May, 2018, Mr Steyn forwards to you the internal email confirming the purchase order number ending in 7-7-5-7. Do you see that?---Yes.

Noting that it's about point-to-point and average-speed camera works. ---Yes.

30 And you'll see that the approval for that purchase order was for that sum that you had originally quoted and he had revised as to be a fixed sum but it's \$35,000.---Yes.

So, I take it you understood from this that there's \$35,000 in the bucket with which the works can be done for this particular contract?---Yes.

And it's the case, isn't it, that you continued to do work and then submit invoices as you went and did that work under that purchase order number? ---Yes.

40 Now, it's correct, isn't it that, as well as CT Fabrications, there was another fabricator that was doing work for the RMS?---Yes.

And that was Ashflex?---Ashflex, yes.

And do you recall where Ashflex was located?---They were in Prestons, yeah.

And again, was it your understanding that Ashflex was there doing subcontract work for Seina under Mr Alameddine?---I'm not sure whether it was for Seina. I'm not sure.

With CT Fabrications you've indicated that they were doing subcontract work but the actual head contract when it came to the fabrications was Seina.---Yes.

Do you have any recollection as to whether Ashflex was doing the work directly for the RMS or as a - - -?---I think they might have been doing it directly for the RMS.

10 But in any event, you went there and you conducted various inspections of their work?---Yes.

And was that in a similar way that involved going to the workshop and checking that they were doing the fabrication to the appropriate standard? ---Yes, yes.

And did it also involve going out onsite to check that ultimately what they had fabricated was being installed correctly?---Yes.

20 And if we could go, please, to page 290. You'll see this is a 7 June, 2018 tax invoice.---Yes, yes.

This relates to the purchase order number, 3340. So not the latest one, the \$35,000 contract that I just took you to, which had the number ending in 7757, but the contract number from earlier in 2018.---Yeah. There is a mistake again on the purchase order number. I don't know which one is which.

30 Because it's got both on it, doesn't it?---Yeah, yes.

So the one at the top on 7 June is the number that I have just taken you to for the \$35,000 contract.---Yeah.

Whereas the purchase order number below is for the earlier contract.---Yes.

In any event, you describe here - - -?---But this - - -

40 I'm sorry.---I was going to just say that this would have been the purchase order that would have come from Craig because I think he was in charge of the one, the fabrication at Ashflex.

All right. So this was a job for Craig?---Yes.

Well then, you list as part of the works here works that are obviously being doing at Ashflex.---Yes.

Can you recall when you went to Ashflex who was there? Were there any of the contractors present or was it just the Ashflex staff?---Initially PMD

were doing the inspection, were doing the inspection before I got involved at Ashflex. I only got, sent out there at a later date.

Well, I'm going to come to PMD and Mr Manuel in a moment. But are you saying that - - -?---If you see at bottom of it, it's - - -

Yes, I do. So, you've listed there, "Services rendered by PMD." And that involves works being done in June 2018?---Yes.

10 Do you say that with Ashflex, by contrast to – I withdraw that. Do you say with CT Fabrications you had been doing the certification and checking of their work for some time?---Yes.

And that was directly through M&M Inspections?---Yes.

Do you say that with Ashflex, they weren't a company that you had dealt with in the early period of your works with the RMS?---No.

20 But you come onboard or you ask to do some QA and QC work with Ashflex after you understood PMD was doing it?---Yes.

Now, just on that point, with Mr Manuel, you have confirmed that you knew him going back to 2010, correct?---Yes.

And that you became aware that he was here in 2018?---Yes.

30 But you also indicated that you didn't have his contact details and you weren't in contact with him in between?---No. Not until the point that, just before he did come.

So, just before he did come – and I'm going to suggest he arrived here in April 2018 – do you recall getting information from someone about Mr Manuel's impending arrival?---Yes.

And who was the source of that information?---Craig.

40 And what do you recall Craig telling you about Mr Manuel and his plans at the time?---At that point I had informed them that I wouldn't be available to do inspection for them because I was going away.

Sorry? Caused - - -?---I'd informed Craig and Alex that I'd be going away and I wouldn't be available to do inspections because I'd be going away for about six weeks I think (not transcribable)

So the first communication you have where Mr Manuel's name is raised is, it involves you going to Craig and saying, "I'm about to go away for a period"?---Yes.

And therefore would not be available to do the inspections.---Yes.

And you were undertaking, consistent with the contracts I've taken you to, various inspection works during that year?---Yes.

And you say you tell Craig that so M&M can't do its work while you're away because - - -?---Yes.

- - - you're it.---Yes.

10

And what does Craig say?---They said that they'd, they'd find an alternative to cover for me.

Did he say anything more?---I learnt later on that it was going to be Peter.

Well, did he not say something at the time, that - - -?---At the time they didn't because, I mean, I'd only just had the conversation with him.

20

Now, just to put this in a time frame, I'm going to ask that you have a look at Exhibit 109. What I'm going to have brought up, so you can see, Mr Duchesne, is just a document from DFAT that shows travel movements. ---Yes.

And this is in respect of you, you'll see.---Yes.

And relevantly, you'll see that, as far as dates are concerned, do you see there is a DEP date of 19 April, 2018?---Yes.

30

So three items down, and it shows the vessel is QF63.---Yes.

And then an arrival date of 14 May 2018.---Yes.

And a vessel QF64. You see that?---Yes, yes.

And you're aware, aren't you, that they were the dates that you, during which you left Australia and went to South Africa in 2018?---Yes.

40

I don't know if you remember, having done the flight a number of times, the Qantas codes. But QF63 and 64, they're flights to Johannesburg, to and from, aren't they?---I'm not even sure, no, I, I'm looking at the ones above there as well (not transcribable)

The later dates I'm not asking about.---Okay.

I'm only asking about the dates in April and May. Your recollection is that you were away in South Africa for about a month.---I know it was in May.

In April/May 2018.---Yeah, yeah, yes.

All right. Now, bearing that in mind, that it seems that you are absent in that period from mid-April to mid-May, tell me when it is you believe you have the discussion with Mr Steyn about your plans to be away?---Oh, when I planned the trip.

So how many months before would that have been? Approximately.

---That'd be about two months before.

10 So perhaps February 2018 you say that you're going to be away for that period, so you're effectively giving him notice that you won't be free to do the work.---Yes.

And you say he says, well, he will organise someone else.---Yes.

And you say at that point he doesn't provide any more detail.---No.

Do you have a subsequent discussion with him before you depart about who the someone was going to be?---He did, yes.

20

Well, what did he say to you? And, again, I take it this is before you leave to go to South Africa.---Yep. He said that he's, Peter would be coming and hopefully continue my inspection while I'm away.

So he doesn't ask you, he tells you that Peter would be the one who would step in and do the inspections?---Yes.

But does he, did Mr Steyn say anything else as to how Mr Manuel might be paid or engaged to do the works while you're away?---Sorry, did what?

30

Did Mr Steyn say anything to you, having informed you that it would be Mr Manuel who would step into the breach while you're away - - -?---Yes.

- - - did he say anything to you as to how Mr Manuel might be paid or on what basis he would be paid?---No.

So from your perspective, you're away and M&M won't be doing the work, so it's really up to Craig as to what he does, I take it?---Correct.

40 So you say there's no discussion about for instance Mr Manuel billing you for the work or in some way M&M continuing to bill for it and then having to pay Mr Manuel?---He, that came later on when he, he suggested that - - -

Just in terms of time period again, can you tell me is this before you leave for South Africa?---Before I leave for South Africa.

So you have an initial discussion where he just says someone will come in. ---Yes.

You have a second discussion where he says Peter Manuel will be the person.---Yes.

You have a subsequent discussion which you're now getting to where he tells you something additional.---Yes.

And what does he say?---He, he asked if I could set a company up for Peter for that when he came in he'd have a company to go into.

10

So he asked you to set the company up?---Yes.

A company to go into for what purpose, did he explain?---I, I understood that he was going to be doing quality work.

But for who?---Well, it was probably for RMS.

Well, can I ask then, having been told that Peter was going to do it and that he apparently was going to do it for the RMS, did you understand why Mr Steyn was asking you to set the company up?---No. Maybe he was just asking me to do him a favour, I don't know.

20

Well, to be frank, what did any of this have to do with you? You're away and M&M's not doing the work because you are M&M.---It was possible that I would be replaced at that point.

In the sense that you might lose all the RMS work?---Yes.

So you understood Mr Steyn was asking you to in effect help his father-in-law to set up a company which would replace you?---Possibly, yes.

30

Well, would you not have found that a bit of a galling suggestion, that you involve yourself in some way of doing yourself out of work?---It really didn't bother me. I had other work, but, plenty of other work, that I could have continued.

I understand, but given that in effect this has nothing to do with your organisation in a sense of it's not work that you're going to be doing, it's work that another company is going to do, why would you assist Mr Manuel in doing anything to do with setting up a company?---I don't know, I - - -

40

Well, what did you do, having had this request from Mr Steyn, what did you then do?---I registered the company and - - -

How did you do that?---I, I went to my accountant and I asked him if he could help me to - and then he requested that I get all his details.

So again pausing there, this is after the third discussion with Mr Steyn prior to your departure?---Yes.

And it's while Mr Manuel is still in South Africa.---Yes.

Did you have any discussion with Mr Manuel about any of this?---No.

So - - -?---Oh, I think I might have had one conversation with him, but that was when I'd already physically done the registration.

10

So up to that point you were really relying entirely on what Mr Steyn told you about Mr Manuel's intentions.---Yes, and his capabilities, yes.

And his capabilities.---Yes.

So you'd never worked with him?---No.

You had no clue about whether he was capable or incapable of doing the quality work he'd be doing.---No.

20

But Mr Steyn asks you and you acceded to assisting him in setting up a company to do the work.---Yes.

And I think you said that you assisted via – was it doing something with your accountant?---Yes.

So did you actually go to your accountant to get some assistance in setting up the company?---Yes.

30 And who's your accountant?---Khourys & Associate.

And did they then, at your request, set up a company?---Yes.

And do you recall what that company was?---PMD.

And if we could please bring up the search for PMD, and I'll have it shown to you. You'll see PMD Consulting Services is registered on 21 March, 2018.---Yes.

40 Now, that's before you depart from Australia to go to South Africa.---That's right, yes.

And do you say that this, the date that we see there must reflect a date after when you'd had the third conversation with Mr Steyn - - -?---Yes.

- - - about who would do the work while you're away?---Yes.

And if you look at the address in terms of the company address, the registered address is an address in Parramatta. Is that the address for Khourys & Associates?---The accountants, yeah.

Now if we could go over the page, please. Do you see that the director and the secretary is both Peter Manuel?---Yes.

And was that something that you asked the accountants to do, to have him set up as director and secretary?---Yes.

10

If you look at the bottom of the page, you'll see, as far as the shareholding is concerned, there are 100 shares.---Yes.

And the shareholder is Peter Manuel.---Yes.

But if we go to the next page, please, you'll see that the former shareholder was Courtney Anne Duchesne.---Yes.

Now, that's your granddaughter.---Yes.

20

Who at the time was about 21.---Yes.

And in terms of the dates, if you look at the bottom of the page, do you see form type is 484. There's a date 2 July, 2018.---Yes.

And if we go over the page, you'll see that that date reflects a change to the company details to the shareholdings.---Yes.

30

So going back, it would seem that from 21 March, 2018 to 2 July, 2018 your granddaughter was the owner of the shares in the company.---I almost immediately had it changed but I suppose that's how long it's taken to get the process going, have it actually physically removed.

But did you ask the accountants to set up the company with your daughter as the shareholder?---My granddaughter.

Sorry, your granddaughter. I apologise. Why did you do that?---I don't know. I was just trying to be helpful.

40

But was that something Mr Steyn had requested or something that you just decided to do?---No, it, it required somebody else other than myself to be the shareholder.

Why couldn't you be the shareholder?---Because I didn't, I, at that time, I, I, I really had no, if I can say, intention of being part of that company.

Well, there's no suggestion, on your evidence, that you were supposed to be part of the company, is that correct?---That's correct.

This is something for Mr Manuel.---Yes.

But thinking back, I take it to have Mr Manuel installed as the director and secretary – so he’s the office holder - - -?---Yes.

- - - you must have signed some documents.---I’m not sure if I did.

10 Do you recall what it was you gave to the accountants in order for the company to be set up?---I can’t recall, to be honest.

But do you say that you don’t – do you have any recollection as to whether Mr Steyn asked you about who would be the shareholders or the director or secretary?---Possibly.

You say that you were assisting here to try and be helpful. Who were you trying to be helpful to?---To Mr Manuel.

20 Well, you hadn’t even spoken to Mr Manuel.---I had the request, the request come through from Craig on his behalf.

So, were you ultimately trying to be helpful to Craig, given he’s the one that asked you to do it?---Well, well, it was through Craig, yes.

THE COMMISSIONER: Did you know the relationship between Mr Craig and Mr Manuel at that time?---Yes.

That is his father-in-law?---Yes.

30 MR DOWNING: But what was the purpose of having your granddaughter set up as the owner of the shares?---I, I, I stupidly put her name down but as I said I had second thoughts about it and I had it removed.

Did she even know about it?---No.

So you have the company set up. Do you then inform Mr Steyn that that’s happened?---Yes.

40 And that’s all before you go to South Africa?---Yes.

Now, do you then have a discussion with Mr Steyn where he says that not only is PMD going to be the company through which Mr Manuel does the work for the RMS, but he actually wants PMD to bill you and you, that is M&M, to bill the RMS?---Yes.

Now, why on earth would you agree to that?---I don’t know.

THE COMMISSIONER: It was a very unorthodox request, wasn't it?
---Yes.

MR DOWNING: I mean, in effect, you're going to be away, correct?
---Yes.

But you were going to still bill as if you were doing the work?---(No Audible Reply)

10 Isn't that the case?---I'm not billing from, from, from my perspective. I was billing – how can I say it? But I didn't bill - - -

Just thinking prospectively when you agree to it.---Yes, yes, yes.

What you expect is that when Mr Steyn asks you to set the company up but also then to bill the RMS and M&M to pay PMD, what you're agreeing to is, that for a period of your absence M&M will continue to bill the RMS, correct?---I hadn't determined that before I left.

20 You hadn't?---No. I, I was under the impression that there would have been a direct billing by Peter to the RMS but, yeah.

When do you say Mr Steyn raises with you the prospect that in fact PMD will not be billing the RMS, it will be billing M&M which will bill the RMS? Before, during or after your trip to South Africa?---It was after, yes. And, and, I, I questioned that.

30 Sorry, which of those was it, before, during or after?---Yeah, I, I questioned that and I was told that because he was not a preferred supplier - - -

When did you question it?---I'm not sure not. Yeah, but we had that discussion, yeah.

But do you believe the discussion where Mr Steyn for the first time says that PMD having been established, it's going to bill M&M and M&M is going to bill the RMS, does that discussion occur before you leave for South Africa?
---I think it was before I left.

40 So, you understand, based on that discussion, that the proposal is that for a period of absence where you're in South Africa, M&M will continue on a contract basis to bill the RMS for work?---Yes.

But in effect, it will be subcontracting it to Mr Manuel through PMD?
---Yes.

Now, you had never worked with Mr Manuel?---No.

You had no clue whether he was capable or incapable of doing the work?
---No.

You had no clue whether he could do it to a good standard or a poor standard?---No.

But you're agreeing to an arrangement where M&M's name will ultimately be in the on the line by reference to whatever Mr Manuel does or doesn't do?---Yes.

10

All right. Is that a convenient time?

THE COMMISSIONER: Mr Downing, I think we might adjourn at that point.

MR DOWNING: Thank you, Commissioner.

THE COMMISSIONER: We will resume at 2.00pm. I'll adjourn.

20

MR DOWNING: Thank you, Commissioner.

LUNCHEON ADJOURNMENT

[12.02pm]