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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 2.00PM

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

MR DOWNING: Thank you, Commissioner.

THE COMMISSIONER: Yes, Mr Downing.

MR DOWNING: Mr Duchesne, do you recall that just before the luncheon  
break I was asking you some questions about Peter Manuel and the process  
10 that culminated in PMD being created?---Yes.

And you explained that initially at some point in perhaps February 2018, Mr  
Steyn, you told him you were about to take a period of leave and go to  
South Africa. He told you initially someone was going to do the work, that  
is the quality work in your absence.---Yes.

Then he told you that it was to be Mr Manuel.---Yes.

Then he asked that you assist, I think your evidence is, in setting up a  
20 company for him.---Correct.

And that was PMD?---Yes.

And ultimately he asked that you continue to bill through M&M but you  
then pay PMD.---Okay.

And I took you to the search for PMD and you've explained to us that it was  
a company that was set up after Mr Steyn asked you, where you went to  
your accountants and asked them to assist you in making that occur.---Yes.  
30

As far as the name is concerned, was the name something that Mr Steyn  
specified to you or did you come with it?---I just came up with it on the spur  
of the moment.

Did it stand for something?---Not particularly.

Not Peter and Martin Duchesne or - - -?---Well, it could have been Peter  
Manuel Duchesne, yes.

40 But your evidence is, isn't it, though, that other than the fact that Mr Steyn  
was asking you that M&M bill the RMS and PMD bill M&M, that this was  
not a business that you were to have anything to do with?---That's correct.

And you say that you put your granddaughter, without her knowledge, down  
as the shareholder, simply so that, what, the company could be formed with  
a view that she would then be removed in a short period of time?---Yes.

Was there, in the early part of 2018, some plan that you and Mr Manuel arrived at of you going into a business together?---I suppose it was at the same – I didn't speak to Mr Manuel about it.

Are all your communications through Mr Steyn?---This is through Mr Steyn, yes.

10 Well, did you discuss with Mr Steyn the idea that you and Mr Manuel might conduct some business together?---Yes. But as I said, I, I changed my mind on that and I, you know, I, I didn't go into it.

But was the plan to do, did Mr Manuel – I withdraw that. Did Mr Steyn propose to you that Mr Manuel was interested in doing something with you or did you propose to Mr Steyn that you were interested in doing something with Mr Manuel?---I had my own business. I didn't need to have Mr Manuel and this - - -

Well, then did the request come from Mr Steyn?---From Mr Steyn, yes.

20 And was it something along these lines, that he wanted – he was interested in having something for Mr Manuel to do or was it along the lines that Mr Manuel was keen to run a business with you? What was the nature of the discussion?---Just to keep him employed, I thought. To find some sort of employment for Mr Manuel.

30 Well, I mean, employment might involve him getting a job somewhere, but didn't Mr Steyn raise with you the idea that you and Mr Manuel would conduct some business together?---It was the initial, as I said, that was the initial suggestion and I had second thoughts on that.

So, PMD though is not the business, PMD is a company that Mr Steyn asked you to set up so that Mr Manuel could do the quality works in your absence?---Correct.

And bill M&M?---Yes.

40 Did the discussions with Mr Steyn about the business you might go into with Mr Manuel get to the stage of any discussion about the form of the business, whether it might be a partnership or a company?---No. It, it merely stopped at my asking, him asking me to, to form a company so that when he did come over, something was set up for him to, for him to start.

But that isn't the business that – isn't your evidence that separate to the request for PMD to be set up, that he also proposed that you and Mr Manuel go into some form of business together?---No, I think it would have been same, through the same thing of PMD.

Well, was your understanding from what Mr Steyn asked of you that PMD

was simply being set up so that Mr Manuel could bill you and you could bill the RMS, or did you understand that Mr Steyn was proposing that PMD would be some enterprise that you and Mr Manuel would run together?  
---No, I, I understood it to be, well, to, to, to continue in my absence.

So that you're not actually participating in the work at all?---No.

10 Well, can you tell me, do you recall ever being present at a meeting, and this would be in early 2018, involving Mr Steyn and Mr Dubois when they talked about the need for some quality works at a contractor level, separate to the quality works you were doing for the RMS?---The, the, the quality works that they spoke about were, as I said before, they wanted to have all of their companies certified to quality ISO, 2000, I think 2001.

But let me break this down. As at early 2018, for three years or so you, through M&M, had been doing quality assurance and quality control works for the RMS?---Yes, yes.

20 And that involved going and checking on the works that were being done via various contractors, including steel fabrication works?---Yes.

And Seina was one of those companies that was in charge of a particular type or area of steel fabrication?---Yes.

30 What I'm asking is whether you can recall a meeting in 2018, the early part, with Mr Steyn and Mr Dubois, where they indicated that over and above whatever M&M was doing in terms of quality work for the RMS, that the RMS required that there be some separate quality works that were going to be done at a contractor level. Did they ever suggest to you that that was something they wanted you to be involved in?---Yes.

And did they propose, and I'm going to ask you who might have proposed it, but do you recall someone proposing that the way in which that would be done is that a new company would be set up that would be run by you and Mr Manuel and you would do it at contractor level, the quality control and quality assurance works. Was that proposed?---I don't remember that.

40 Did Mr Steyn at any meeting in early 2018 suggest that what was wanted by he and Mr Dubois was that you and Mr Manuel in effect set up a new company and that separate to M&M, that company, at a contractor level, do quality assurance or quality control works.---I don't remember that.

It would be an odd arrangement, wouldn't it, because it would in effect have you doing quality works at two levels on the same work but for two different clients.---Yeah.

So do you say that PMD was not born out of that request that you go into some business with Mr Manuel for the purposes of doing - - ?---No.

- - - quality works and quality control at a contractor level?---As I said before, the only thing that I understood was that to get all the contractors certified to a ISO system, which meant that then they would have to have their own quality system in place, eliminating a lot of the inspections that was going on. That was it, what I understood the purpose of it.

10 And consistent with that, you've told us already that you billed \$5,000 to Seina in order to prepare the paperwork for them to seek such certification.  
---That's correct.

But is it the case that for any of the other contractors, you didn't provide any work that involved trying to help them get certified?---No.

Now, I've shown you already the search for, company search for PMD showing that it was registered on 21 March, 2018. Do you recall that?  
---Yes.

20 Now, can I just, I want to take you to some text message exchanges between you and Mr Steyn, just to see if this assists perhaps in what was going on at the time. If we could go, please, to volume 14.1, page 153. And this is an extract of texts from Mr Steyn's phone.---Yeah.

And you'll see he's got you saved as "Uncle Marty Duchesne."---Yeah.

I think Uncle Marty was the nickname that he used for you.---Okay.

30 Do you see on this page number 46, on 11 March, 2018, text from you to Mr Steyn, "Can you please call when you have a chance?"---Yes.

And then the next one at 4.47 on the same day, 11 March, 2018, "Been in touch with Peter. He has no record of his tax file number and hoping that by chance Aleesha might be able to help."---Yes.

Now, does that assist you in recalling that you had been in touch with Mr Manuel at some point before he arrived in Australia?---Yes, I, I, I admitted to that earlier.

40 And what was the purpose of the contact with him, was that after speaking to Mr Steyn about the idea that he would do the work in your absence or was it about something else?---It was purely to get the tax file number so that I could continue with the application.

To get the company set up.---Yes.

Right. So that the process that through Khoury & Company led ultimately to PMD being set up?---Yes.

Thank you. Now, it's correct, isn't it, and I've taken you to the travel records showing that you were in South Africa between 19 April and 14 May, 2018?---Yes.

And now you've told us that before you left that you had that discussion or multiple discussions with Mr Steyn that led to an arrangement where Mr Manuel was to do some work in your absence through PMD.---Yes.

And when he arrived in Australia, you met with him, I take it?---Yes.

10

And what happened then in terms of him attending with you on perhaps the fabricators before your absence, did you meet with him and take him around?---Not before I left for South Africa, I don't remember that, no.

Did you take him to any of the sites where - - -?---The site, yes, I did, to, to a (not transcribable)

Is it Jerilderie or Narrandera?---Yes.

20

Jerilderie?---Yeah, Jerilderie.

And I think you confirmed in your evidence earlier that you recalled being down there and seeing Mr Steyn, Mr Dubois, Mr Manuel, Mr Alameddine, Mr Chahine and Mr Hadid.---Yes.

Can we go, please, to volume 10.5, page 72. And you'll see that this is an invoice from PMD to M&M.---Yes.

30

Dated 25 May, 2018, which I indicated to you is the date I'm suggesting is just after you'd returned from South Africa.---Yes.

But do you see that it refers to a 12 April – it's dated 12 April but 9 to 12 April works at Jerilderie and Narrandera.---Yes.

And you were still in Australia as at 12 April, 2018, correct?---Yes.

And if we go, please, back to volume 14.1, page 225. You'll see this is your M&M Inspections invoice number, RMS005.---Yes.

40

And you'll see that it's dated 18 April, 2018 and it lists various works and visits.---Yes.

And you'll see the last two entries are "Site inspections, Jerilderie and Narrandera sites, M. Duchesne," and then similar for P. Manuel, 40 hours each.---Yes.

And you'll see that in respect of Mr Manuel, what's claimed are 55 units, sorry, 40 units at \$55 per hour, so 2,200.---Yes.

And if we go back, please, to volume 10.5, page 72. You'll see that what's claimed there is 40 units at 55 an hour, \$2,000 plus GST, so \$2,200 all up. ---Yes.

So does this reflect the time you took Mr Manuel down to Jerilderie and Narrandera in order to – sorry, I'll leave it there. Took him down to Jerilderie before your departure for South Africa.---Yes.

10 And what did he actually do when you took him to those sites?---It was virtually a handover. We started on the one Saturday. As I said, they were about half an hour or 45 minutes apart. I started on the one and left him there and I went to the second site.

When you say a handover, was it to, in effect, show him the ropes as to - - - ?---That I, I, I, yeah, while I'm away, that he knows what he's doing.

20 And what did you demonstrate to him?---Handed over the, the, the bolt torquing charts, the sequence of, of, of torquing for the, because that was going to be the next stage.

Torquing is t-o-r-q-u-i-n-g?---T-o-q-u, yes, yes, yes, there's a sequence that they do the bolts when they hold them down, and for the bridge structure to, to the column, yeah, specific values that they have to torque to. But initially when we went up there, they were doing excavation and the concreting.

But was it, in effect, the purpose of taking him along here was to show him the ropes before you went away and he was to step in?---Yes.

30 Taking you to the travel document, I've already shown that you departed on 19 April, 2018. Can I then take you, please, to the next PMS invoice, which is at page – so volume 10.5, page 77. Now, you'll see this is a PMD Consulting invoice to M&M.---Yes.

Dated 8 June, so it's after you've returned. But you see there it refers to services rendered April to June 2018, with a lump sum of \$5,000.---Yes.

40 So did you understand that this was the invoice that you were getting from Mr Manuel to cover, at least in part, the period when you were away?---Yes.

And did this come from Mr Manuel or did Mr Steyn give it to you?---It came from Mr Manuel via email, I think.

And from it though, it gives you no guidance at all as to what he was doing. ---Correct.

Whereas where you rendered invoices through M&M, you would provide a breakdown of dates and a brief description of the works and indicating whether there was accommodation, travel et cetera.---Yes.

Here you had no information at all from this as to what Mr Manuel had done.---Correct.

And I take it you had no information yourself as to what he'd done in your absence.---No.

10

You didn't know whether he'd been anywhere.---No.

I take it he hadn't rendered any reports for you?---No.

Hadn't prepared any working notes of what he did on each day?---No.

If we could go then, please, to page 82. And you'll see this is another invoice from PMD to M&M dated 8 June, 2018, and this one covers work said to have been done on 30 April, 1 May and 2 May.---Yes.

20

And there is some breakdown there, it refers to the locations and the number of hours, but otherwise no description as to actually what was done. ---Installations, yes, yeah.

Well, it says "structure installations," it doesn't say what happens at them. ---Yeah, correct.

And this bill was \$3,305 plus GST.---Yes.

30

And again you had no knowledge, did you, as to what if anything Mr Manuel had done on those days?---Yeah.

Correct?---Correct. I understood what it was but he hadn't described it very well.

But I take it with each of these invoices you paid them?---I paid them after consulting.

With who?---With Craig.

40

So Craig told you it was okay to pay.---Yes.

If we could go back, please, to volume 14.1, page 247. You'll see that this is your invoice, the M&M invoice number 006.---Yes.

And dated 29 May, 2018.---Yes.



And you'll see it describes works, the initial part, 15 and 16 May, 16 and 17 May, 17 and 18 May.---Yes.

And that's all work you did, isn't it?---Yes.

So that's just after you returned from South Africa.---Yes.

So you literally flew back in and were straight onto the job for the RMS through M&M.---Correct.

10

The part below that though seems to relate to - - -?---Yeah, yeah.

- - - the work that is referred to in the PMD invoices I just took you to.---Yes.

So there's some reference – you'll see the dates, 30 April, 1 May, 2 May, and there's some reference to Narrandera and Jerilderie.---Yes.

20

And then some works also at the – well, let me stop there. Those entries, I take it, the 30 April PMD, 1 May PMD, and 2 May PMD, what you were there doing was doing what Mr Steyn had asked you to do, which was to bill to the RMS through M&M the cost of what PMD was billing you?---Yes.

The bottom part of the invoice, does that relate to work you did or to what you understood Mr Manuel had done?---That's my work down the bottom.

So 24 May is back when you're on the job again after returning from South Africa.---Yes, yes.

30

So was your source of information as to what you put in this, literally the bill you got from PMD?---Yes.

Okay. So Mr Manuel emails you the bills and you then send, you prepare your bill and send them off to the RMS.---I first confer with Craig to authenticate that it actually has, has been done and then I sent the invoice (not transcribable) RMS.

40

Did you ever speak to Mr Manuel to confirm what he'd been doing and where he'd been?---Yes.

Did he confirm it to you or were you relying on Craig?---Well, I was relying more on Craig because Craig was there.

THE COMMISSIONER: Sorry, you relied upon?---I relied more on Craig.

This arrangement had created a somewhat awkward position for you, didn't it?---Yes, it was (not transcribable)

These invoices I'm talking about, the last three anyway, are in respect of work allegedly done by Mr Manuel, the cost of it was to be passed on to RMS.---Yes.

And even though Steyn waved them through, saying, yeah, go pay them, you had no basis for knowing what work, if any, had been done, that correct?---That's correct.

10 Or under these invoices the nature and the extent of any work being done.  
---Correct.

You were being given no verification whatsoever about the work, the nature of it, et cetera. You were just relying – all you had to go by was Mr Steyn saying send it to RMS.---Yes. Him being my client.

Hmm?---Him being my client.

20 I mean, the request from Mr Steyn in the first place to ask you to set up a company was highly unusual to say the least, wasn't it?---I, yes, I agree.

Here he is, meant to be in some sort of a managerial position for RMS, talking about a matter quite outside the scope of normal work relations, about setting up a company for his father-in-law.---Yes.

And you must have queried, "Why me?"---I suppose I did.

Hmm?---I suppose I did.

30 Well, in any event, am I right that you saw this as distinctly odd?---Yes.

And then once it got up and running, you were placed in the position of claiming on, your company claiming on RMS but you operating in the dark in terms of work, volume, nature, et cetera.---Yes.

Well, whether it caused you sleepless nights or not, it must have given you some concern about "What am I involved in here?"---Yes, I, I did.

40 And did you challenge Mr Steyn and say, "Look, I'm uncomfortable about this unusual arrangement. Tell me what's going on," something to that effect?---I, I did at the next invoice and, and that is when I got the invoice for the work being done on the subcontractors, and I said, you know, I, I don't want to do this anymore.

So you're talking now about a particular invoice that triggered that conversation?---Yes, when, when, when he was being - - -

We're coming to that, are we?

MR DOWNING: That's next, Commissioner.

THE WITNESS: That's right, when he was doing work for, for - - -

THE COMMISSIONER: All right. I'll turn it back to Mr Downing, then.  
---Okay.

Thank you.

10 MR DOWNING: It's the case, isn't it, that consistent with the invoice, and perhaps if we just leave that up that was on the page, that as soon as you got back from South Africa you resumed doing the work for M&M?---Yes.

And from that point Mr Manuel didn't do any more work, in effect, in the shoes of M&M?---Not to, no, he's never, ever, everything that he did, he done, he did under instruction from Craig, not from me.

Well, as far as you knew, he did some things while you were away, but you had no confirmation other than Craig's say-so.---Yes.

20

But once you returned, he wasn't going out on behalf of M&M and doing ongoing quality works, was he?---No. He was, he was visiting with, with, with, with Craig at the, at the contractors yes.

Did you see him there?---I seen him once at the Flex.

Ashflex.---Ashflex. Yes, I, I, I saw him there once and that was when I was actually going in to take that away, because I wasn't doing inspection on them before that.

30

So did you understand from Craig that while you'd been away, separate to whatever work you'd been doing at the locations you'd previously worked, Mr Manuel had also started doing some sort of quality works at Ashflex.  
---At Ashflex, yes.

So did Craig tell you that?---Yes.

And Ashflex wasn't fabricator you'd had anything to do with before?---No.

40 But it's the case, even though you ran into Mr Steyn and Mr Manuel at Ashflex, there'd been no arrangement - - -?---It was, it was, it was only Mr Manuel.

I'm sorry, Mr Manuel.---Steyn wasn't there.

I apologise. So you ran into Mr Manuel, not Mr Steyn as well.---Yes.

But you had not sought through any form of communication to arrange for Mr Manuel to do anything for M&M.---No.

You'd not spoken to him.---No.

You'd not asked Craig to have him do something for you.---No.

You'd had no communicate with him about M&M retaining him to do any work.---No.

10

So if we could go then, please, to volume 10.5, page 87. When you spoke a moment ago to the Commissioner about the next invoice, this is the one you're referring to, isn't it?---Yes. Yes, that's correct.

So 13 August, 2018, so now some three months or so after you return from South Africa you get, was it via an email from Manuel or was this given to you by Mr Steyn?---Oh, I think they all came via email from, from Mr Manuel.

20

But I take it you recognise this? So this is a 13 August invoice from PMD claiming a total of \$25,300 in respect – now the date for each of them is 13 August, '18, but the three line items are, "Services rendered from May '18 to July '18." Secondly, "Assistance with business development." And thirdly, "Engagement of third-party services to assist."---Yes.

Now, first of all, as far as you were aware, Mr Manuel hadn't rendered any services to M&M between May 18 and July 2018 other than those for which he'd already billed you and you'd already billed the RMS?---Correct.

30

Secondly, he had not assisted you with any form of business development. That's correct, you agree?---Yeah.

And thirdly, putting aside that this even means, he hadn't engaged on your behalf with any third-party services to assist?---No.

Did you receive this and think that in effect you were being asked to pay for something that you knew nothing about?---Correct. And, and I raised it.

40

And what did Craig say?---He said, he, he told me I, I need to pay.

Was that the end of the discussion or did he provide some further explanation?---Yes. He said that he had been doing – I don't know. He, he said that he was doing work with, with the NDT people, marking up and stuff (not transcribable) - - -

Sorry, he being Peter?---Yes.

THE COMMISSIONER: Sorry, I missed what you said. He said he had been doing?---When, when they – he had been doing work at, at the contractor, marking up - - -

MR DOWNING: Ashflex?---Ashflex. Marking up for the NDT and allocating where, where the testing had to be done and so forth, but I didn't, I, I still questioned it.

10 But pausing there. You say that after your return from South Africa, you were asked to actually start doing work at Ashflex and that work is reflected in some of your invoices.---Yes.

So, you'd been there, you knew what was going on at Ashflex.---Yes.

And you say that you'd seen Mr Manuel there once but that's it.---That, that was it and then he didn't go back. I, I, I took over the inspections then.

20 Did you form a view that in effect that this invoice that you were being given to pay wasn't a genuine reflection of work Mr Manuel had done?  
---Yes.

What did you think it was?---I, I don't know. I, I raised the question and, and I, I didn't want to pay it and I, and he complained to, to Craig and Craig came, Craig came back and said, "You need to pay that invoice."

And you did?---Yes.

30 And can I ask, why did you pay it then in circumstances where you regarded it as something that you didn't owe anyone?---I don't know. I suppose I was under pressure, I suppose. So, I, I paid.

Were you concerned that perhaps M&M might not get ongoing work if you didn't do what Craig asked?---That was never a concern for me because, as I said, I, I had so many means of, of, of, of employment.

THE COMMISSIONER: Sorry, I'm not hearing you. Just keep your voice up if you - - -?---Sorry.

40 A bit closer to the microphone, please. Sorry, would you just repeat what you said?---I said I, I had plenty of other means of employment. I didn't need to just do RMS work at that point. But, yeah - - -

MR DOWNING: Well, you say that you do felt you were under pressure. What do you mean by pressure? From who and what sort of pressure?  
---Because it, it was like I was, I was owing somebody money and I didn't want to pay it and I, I, I don't like to have that kind of pressure to owe somebody money and not pay them.

But here you knew you didn't owe Mr Steyn anything, or you didn't owe PMD anything because had done nothing for you.---I couldn't, I couldn't prove or disprove it. I, I took his instruction and, and, and paid it to get it out of the way.

Even if you accept that it's possible that Mr Manuel had done something at those contractors, the reality was though you could prove he hadn't done it for you because you'd never spoken to him about it.---That's correct.

10 So what ultimately made you pay it?---As I said, I, I just felt pressured to pay it, otherwise I would have been owning somebody money.

20 THE COMMISSIONER: When you looked at this invoice in a much greater sum than the earlier ones, this one was for 25,300, including GST, a man as experienced as you are in the industry, when you look at that first item, it's claiming payment on 18 August, "Services rendered in May '18/July '18," that is for a two-month period. No particulars, no specificity as to what services were rendered where and when or how. It's plain, in your experience, that a (not transcribable) invoice like that is just nonsense, isn't it?---It is.

And is that one of the things that triggered or perhaps confirmed your doubts about this whole - - -?---Yes.

- - - operation that had been set up through PHD?---Yes.

30 I'm not sure if I've quite got an understanding as to why you didn't challenge Mr Steyn, because in effect what he had done was to place you or your company in the middle, as it were, receiving invoices then passing them on to the State Government agency, RMS, for them to use public funds on to pay. I mean why didn't you just say, enough, I'm outta here?---I paid this and got out of there.

Sorry?---I say I did, I paid it and, and, and, and that was the last, because I mean even though I might, I might send it through, it still has to be approved before it gets paid.

40 And you say it was approved.---Well, if it was paid it would have been approved before.

By Mr Steyn?---Yes.

But he was the one you already had a suspicion about that he was up to no good. Isn't that right?---Yes.

So he wasn't much of a validation in terms of a checking process, was he? ---Yes, it's true.

But you did pass this invoice on to, through your company, to RMS for payment.---Yes.

And again, are you wishing to explain yourself in carrying on, even though by this time you suspected that something was very wrong about this arrangement? Do you have an explanation?---No, I don't.

10 Very well. You said that you had a discussion with Mr Steyn and he said something along the lines of Manuel had been doing some work, as I understand what you said, at a contractor, which was Ashflex.---Yes.

So this was part of a, this is when you raise or challenged him.---Yes.

Now, where did that conversation take place, do you recall?---I'm not sure whether it was on the phone or whether I saw him personally.

Do you know whether it was in your office, his office or some worksite or don't you know?---I don't, I can't remember.

20 And exactly what did you say to him on that occasion, wherever it was? ---What had come from that was that I, I didn't pay the bill, I did not process it, if I could say that rather, and, and he came at me and said, you know, "Peter's complaining that you haven't paid his bill. You'd better make sure that you pay it."

That's this invoice for the 25,300?---Yes.

You had held back from paying it?---Yes.

30 And he was coming to you to say get on with it.---Yes.

Did you verbalise your concern to him that you didn't, you had your reservations?---I did, yes.

Well, what did you say to him?---I said, "I can't understand what this was, especially engagement of the third-party service." And he said, "Oh, well, it's work that he's done, you need to pay him."

40 MR DOWNING: Mr Duchesne, did you have a suspicion that the money was actually going to Craig from this?---No, I didn't.

Not at all?---No, not at all.

Had Craig ever for instance asked you to bump up in invoice in order to include a component for him?---No.

That is, you would give him a price and then he would suggest you increase it?---No.

Had he ever asked you to put in an invoice where there had been no work done at all?---No.

Had he ever suggested anything to you to the effect that in return for the work that M&M was getting, he wanted something in return?---No.

Can I then take you to some communications between you and Mr Steyn in October of that year. And if we could go, please, to volume 14.1, page 454.  
10 Do you see on 4 October, 2018, you send Mr Steyn, at his RMS address, invoice RMS0114-04, and you ask that he review it before you submit officially.---Yes.

So I take it what you were doing was sending him a draft with a view to getting his input before you finalised it.---Yep. A lot of the time because I wasn't very good at running the business, to be perfectly honest. I always made mistakes, there'd be something wrong with the order number or something on there I'd go through. Because when it went through the other way, it would take months to come back again. So I sent it to him to have a  
20 review. He'd say, oh, it's all okay, and I would send it PDF format and then submit. There was no ulterior motive for asking to, to change the price or anything like that. It was just this format.

And in fairness, I have taken you to a number of quotes and invoices where there were some discrepancies - - -?---(not transcribable)

- - - with the person it was addressed to or the numbers, some of the narrative, et cetera.---Yep.

30 So do you say that what you were doing here was basically trying to make sure that the formalities were correct?---Yes.

So that it wouldn't get rejected and there might be a month hold-up or months of hold-up before you got paid?---That's correct.

So you were seeking input on formalities, not, for instance, how much you were going to get paid.---Correct.

40 Can we go then to the document you attached, which is at page 455. And you'll see the number is RMS0014-0310. You'll see that the purchase order number refers to, or number is 5581.---Yes.

And it's a draft bill, \$16,000 plus GST, so \$17,600. And it refers to work in different locations. So in the first box, even though you've only put one lump sum in there, it seems to cover first of all some decommissioning works at New Italy on 23 and 24 July.---Yes.



Secondly, some works at Blackmans Point and Kempsey for the ASC – that’s an abbreviation I think for average-speed camera.---Yes.

And works there on 25 to 27 July and then 13 to 17 August.---Yes.

And then finally, without dates, something to do with services for the assistance in the management of delivery works on the ASC Program across New South Wales.---Yes.

10 Now, first of all, can you recall, what was the decommissioning works at New Italy? What did that involve?---It was removal of equipment that was there. I don’t remember exactly what it was. I remember it was some electrical components that had to come out possibly (not transcribable) I can’t remember exactly what it was. Taking stuff away from, from that site, rather than, than installing it.

20 So something electrical?---Oh, it was, when, when I say electrical, it was removing, which I didn’t, had nothing to do with. It was a team of RMS contractors that came in to come and remove it. But it was the structures that were actually being removed from that.

But I understood that, generally, what your role was, though, was to check the quality when it came to welding or steel structures to make sure things were structurally sound.---Yes. The, the – I also did a course in, in occupational health and safety, and they relied on me to go to sites to actually review their, their documentation, being the safety documentation, before they started any work, and to observe the safety procedures.

30 So here, where you refer to the works on 23 and 24 July, were you there to, in effect - - -?---As an observer.

Observe and make sure that it was being done safely.---Safely, yes.

And the installation at Blackmans Point and Kempsey for the ASC Program, can you recall what was being installed?---Yes. It was a, Blackmans Point was the, there was a camera just outside of the bridge which had to be removed and relocated to the freeway, either side of the freeway, about a kilometre away from there.

40 And then the final item, services for the assistance in the management of delivery works for the ASC Program across New South Wales. What was that?---That would be fabrications, I’d imagine. Yeah. No, I, can I, can I explain the, this format?

Sure.---That each one of those is a separate entity, and it was, it was hoped that I’d do the first one as, as one invoice, the next one would be the second section of the invoice, but the first one, pricing would be (not transcribable) as a sort of, so you didn’t have to do the whole template the second time or

the third time around. So each one was done separately. Where the first one had an amount, the second invoice would have excluded that amount and it would be only the middle one that would be invoiced.

I'm sorry, I'm not following you.---You're not following, okay. The management of the commissioning works at New Italy was billed there as, as the one entity.

10 So, do you say that the price, the 16,000 price related only to New Italy?  
---Only to New Italy, yes.

So, it's a bit hard to understand then how you thought that you were just checking formalities with Mr Steyn on this bill because you say you've got two other items there with no sum at all, but your evidence was that you weren't seeking his input in relation to price.---I don't understand. Can you repeat that?

20 I thought your evidence, when I took you to the email, was that what you were doing here was simply sending in an email with an attached bill with a view to checking that the formalities were right so that, for instance, perhaps dates or purchase order numbers, just so that there would be no hold up.  
---Correct, correct.

Well, aren't you now saying though that you were including a price for the first element but with the rest of it, you were leaving reference to works but without any price at all with a view, what, that you might then do - - -?  
---Yeah, I wasn't claiming on the other two. I was only claiming on the one I had completed and the other two were outstanding.

30 So that you were in fact – what was the purpose of including that then for Mr Steyn to look at?---I don't know. Maybe, maybe I did the sheet wrong but that, that, there was no other intent except to bill for that top line.

So \$16,000 was the price that related to the works on the 23<sup>rd</sup> and 24<sup>th</sup> of July?---Yes.

40 Now, that was somewhat unusual, wasn't it, to put a bill in in that form? First of all, typically you would provide a breakdown of your hours and a unit price per hour on what you were doing?---Yes.

Secondly, if the works were on 23 and 24 July, for your hourly rate you could not possibly come to a sum of \$16,000.---Yes. I was trying to think of what, well, what the work that thing actually entailed. I can't actually remember what it was.

Could it be that Mr Steyn actually asked you to just bill him a lump sum for a particular purpose? Do you think that might have been the case?---No.

But how do you then justify a \$16,000 lump sum which stands in very stark contrast to all of your earlier particularised bills for work which you say relates purely to New Italy on 23 and 24 July?---(not transcribable) I just can't think what it was.

THE COMMISSIONER: Well, how did you come up with the figure of 16,000?---I can't remember.

10 MR DOWNING: Mr Manuel, could it be that – I withdraw that. I'm sorry. Mr Duchesne, could it be that what you were trying to do was to recoup moneys through the bill to make up for what you had been asked to pay Mr Manuel?---Previous to this?

Well, the last bill – sorry. In fairness, this is in October 2018 and the invoice that I took you to earlier, the one that you indicated you had concerns about was 13 August. So it is earlier.---August, yeah.

20 Could it be that that's what you were trying to do?---No. I mean, yeah, this is July.

But it's sent on 4 October. If you go back to the email, page 454, it's an email you send with the draft on 4 October. So it's after you've received that questionable PMD bill from Mr Manuel and raised it with Mr Steyn presumably.---I don't remember.

30 THE COMMISSIONER: Mr Duchesne, you could accept, wouldn't you, just going back to that invoice. The invoice of 4 October for \$17,000, or sorry, \$16,000 plus GST, that's not a genuine - - -?---I'm sure that would have been (not transcribable)

- - - invoice, is it, or draft invoice?---I'm trying to think if there was anything else that I might have added into that invoice, as you say, but I can't remember what it was.

But at the moment when you look at it and analyse it - - -?---It does seem that way, yes.

40 All the indicators are that it doesn't point to it being a regular or genuine invoice in contrast to other invoices your company had sent.---(not transcribable)

Do you agree with that?---I do agree.

And what you – and are you saying that you cannot recall anything about this which would throw light on why - - -?---Why it's so - - -

- - - this invoice came into existence, as to whether it was something you were asked to do or whether you just did it of your own accord for some

unknown reason. I mean you must be able to recall something about this invoice because it's a real one-off situation, isn't it?---It is.

And so you can't recall?---I'm trying to recall whether this invoice was actually paid.

MR DOWNING: Just by way of comparison, can I take you back, please, to the same volume, 14.1, to page 168.

10 THE COMMISSIONER: Which one? 14.1?

MR DOWNING: Page 168. So this is an email sent on 19 March, so earlier that year, to Mr Dubois, with invoice 1903. And if you go to the bill on the next page, putting aside there seems to be an error in the date, it looks like you might have used an old template, because you've got "RMS004," and a date in June 2016, when it was in fact sent in March 2018.---March, yes.

But do you see, you provide an itemised breakdown - - -?---I might have, yes, I do, yes.

20

- - - of dates, sites, hours, cost per unit? And if we could go perhaps a little later, to the same volume, page 225. This is a slightly later bill.

THE COMMISSIONER: It's 18 April.

MR DOWNING: 18 April, 2018, and again this is one I took you to earlier that covered some work that Mr Manuel did at the bottom.---Yes.

But again you've provided specific dates, units and hours.---Yes.

30

And that was the way you bill. Correct?---Correct.

But when we go back to the bill I've taken you to, the draft that you sent to Mr Steyn on 4 October, it's literally just a \$16,000 lump sum.

THE COMMISSIONER: This being the invoice which you said was drawn up and sent on the basis that you were asking him, that's Steyn, to review it. ---Yes.

40 The question is, why were you asking him to review it?---(No Audible Reply)

What circumstance prompted you to send this invoice to him with that particular request? Something plainly was operating on your mind at the time, the question is, what was it?---I sent my invoices to him for review on a number of occasions, it wasn't only that particular one.

MR DOWNING: And, sorry, do you say that that's in relation to formalities or as to sums or some substantive detail in the bill?---It, it's specifically to, to the, to the layout of the - - -

Well, can I take you, please, to page 456. So bearing in mind that you send that at, that is the draft, on 4 October at 9.39am. If we go, please, to page 456, do you see on the same day at 4.15, Mr Steyn emails back and asks you to check the invoice to ensure it's the correct one?---(No Audible Reply)

10 Do you see that?---Yes.

And then later the same day at 4.48, you email back to say, "When you have time, please call to discuss." Do you see that?---Yes.

And do you recall whether there was a call that you had with him to discuss the bill?---No.

20 Can I take you then, please, to same volume but now to page 159. And this is now taking you back to the text exchanges between you and Mr Steyn. And bear in mind again that you'd had those communications through the morning and then into the afternoon of 4 October, 2018. Can you look, please, at message number 151, and you'll see that's a message from you to Mr Steyn.---Yes.

And do you see you say, "Breakdown on visits to Port Macquarie, 6,500 and 7,500." Total – it says "1,400". It looks like it may be missing a zero. It should be 14,000.---14, yes.

30 "Hopefully this is acceptable. I will have all reports complete for next week." Do you see that?---Yes.

And looking at the timing of that, does that appear to be you trying to explain how it was that you came to your sum of \$16,000?---This is Port Macquarie.

40 Well, but it's the same night, and it's after you've sent the draft and you've had that exchange of messages where he asks you to check the invoice to make sure it's the correct one, and you say, "When you have time, please call to discuss." I'm just wondering whether this text is in relation to the earlier exchange about the bill.---Possibly. That's why he's asking (not transcribable) Port Macquarie that it should have been actually Port Macquarie rather than (not transcribable)

Instead of showing New Italy?---Yes.

Do you see then message number 152? This is from Mr Steyn. He says, "Okay," I'm not sure what the next word is or whether it's a typo, "need to

break the invoice down. Can you send the draft to my Creative Services [REDACTED] email so I can work on it for you?---Yes.

So he asked you via the text to send the draft to him at his personal address so he could work on it for you.---Yes.

And you did, didn't you?---Yes.

10 You'll see the message down at 153 at 9.41 – sorry, 9.41pm. He confirms to you, "Got it. I will work on it and return."---Okay, yes.

And you say, "Thanks," at 9.53. So it's correct, isn't it, that you did what he asked, and that was to send your draft bill, as you had submitted it earlier that day, to him at his RMS address, but now to his Creative Service personal address.---Yes.

20 And in that regard, if we could go, please, to page 458. You'll see there is, at 9.36, or 2136, you do send the email to him with the draft invoice, as he's requested.---Yes.

To his Creative Services address.---Yes.

And if we go over the page. Sorry, go back one page, I apologise, back to 457. You'll see that also on 4 October – and this is a screenshot from the phone – Mr Steyn responds to you, "Here is your invoice to submit." And you'll see that there is an Excel spreadsheet attachment.---Yes.

But it's marked as "rev 1" so it looks like a revision.---Yes.

30 And what he says is, "Here's your invoice for submit. Please PDF and send in ASAP to TS Invoices and CC me at work. I've allocated the following, 18K to M&M Inspections, 15K to PMS, which I will arrange the invoice as soon as you advise funds cleared. 33K total, excluding. Please ensure name and ABN is correct as per the change has occurred. Any questions, I'm working from home tomorrow." And then if you go over the page, same screenshot, "Thanks, regards."---Yes.

40 So do you recall getting that email?---I don't recall getting this, no. I've seen this before from you, yeah, and I don't recall getting this.

But it appears, doesn't it, that what he's done is taken your draft as you've sent it to him, opened it, revised it and then changed it, and he's outlining in the email the changes that he'd made.---Yes.

So that the total is now to be 33, not the 16 you'd included. And he's including \$18,000 to M&M but also 15 to PMS.---Yes, I see that.

Do you not recall receiving this at all?---No.

Are you able to shed any light as to what PMS was?---I have never had any dealings with PMS, so yeah, no. I - - -

But did you – sorry.---From, from following the, the, the hearings, I’ve heard PMS come up before but I’ve never heard of – until this inquiry I’d never heard of PMS before.

10 That is a different company that Mr Manuel had set up?---Yes. I, I didn’t know it.

So, at the time, that is the period from early 2018 to the end of your work for the RMS, you had never heard that Mr Manuel had set up a separate company to PMD?---No.

All right. Unfortunately we can’t open what the attachment was, but do you recall that you did what was asked of you, which was to then resubmit your bill to reflect the \$33,000 total?---No.

20 Well, can we go, please, to page 459? Bearing in mind that that was, the process of communication was on 4 October, culminating in that email from Mr Steyn. If we go to page 459, do you see on the following day, 5 October, you send two TSS invoices and copied to Mr Steyn as well, invoice RMS114-01410? Do you see that email?---Yes.

So it’s early morning on the following day, 6.53am on Friday the 5<sup>th</sup> of October.---Yes.

30 And if we go to the next page, please, do you see that now the total is the \$33,000 plus GST? Do you see that?---Yes.

And now the form of the bill has changed. Can we just go back so you can compare them? Your draft is at 455. So, looking at that, you will see that the only item that has a figure attached to it is the 16,000 next to New Italy and, as you confirmed, the other two items were left with a description but no units, no cost per unit, no amount?---Yes.

40 And you’ll see, it doesn’t actually have a table as part of the bill, it’s got the, in effect, the box that’s highlighted with New Italy but there’s no division amongst the different part of the description, units, cost et cetera?---Yes.

If you then go, please, to page 460, which is the bill you submitted, you’ll see that there is now a table, so that it’s broken up into a table for each of the columns.---Yes.

But also you’ll see that the first item, which was New Italy in your draft, now is one unit but there’s no figure at all.---Yes.

But there's different narratives then in the three boxes that follow. One to do with Blackmans Point and one to do with – sorry. The next box down, the second, to do with witnessing and documenting installation at Blackmans Point.---Yes.

North and southbound. Then the next box, to do with witnessing and documentation of installation, Blackmans Point, north and southbound. ---Yes.

10 And also the Hastings River Bridge.---Yes.

And then finally, “Witnessing and documenting final completion of all civil and TIRTL installation. Work works at all detection sites, 6123, 6126, 6198 and 6199 from 24 to 27 September, 2018.”---September, yes.

So that now, instead of having a figure for New Italy, there's no figure for that, but there's figures for the other three items.---Yes.

20 And the figure matches the \$33,000 that Mr Steyn had suggested that the bills should reflect in his email.---Yes.

Do you think, looking at this now, that what you've done is used the very document he sent to you, that is the revised version of the bill and submitted it?---No. This includes all the work that I've actually done.

Perhaps you could answer my question.---Yes.

30 Do you think it's likely, having seen that you sent a draft in a different format, and you then got the draft back in a revised form from Mr Steyn on the night of the 4<sup>th</sup> that you have then sent him that very draft? That is you've saved, it you've made it your own bill and you sent it back to him. ---No.

So, is it a coincidence that you started at \$17,600, he suggests in an email, which he attached an Excel spreadsheet revision of your bill that it should be 33,000 and that the bill that you then submit the next day is \$33,000 plus GST?---No. I still maintain that that is, I billed for that I had done.

40 So you say all of that work was genuinely done?---Yes.

But what was the process that led you to make the change, do you say that that was a realisation that you'd made that you'd left out these things from prior bills?---No, it's just billed for the work that I did.

Well, go back to the email, please, that is sent to you on the night before, at page 457. You see in the narrative of that email that Mr Steyn suggests to you that the total should be 33, excluding presumably GST?---Yes.



But that the way that's made up, it will involve \$18,000 to M&M and 15,000 to PMS, "Which I will arrange the invoice as soon as you advise funds cleared." Do you see that?---Yes.

10 Are you sure you didn't have a discussion with Mr Steyn where he indicated, I want you to bill some money through – sorry, I want you to bill an amount to M&M through M&M to the RMS of \$15,000 and you, once you have that bill paid, let me know and I'll then send you an invoice from PMS and you can pay the \$15,000 to PMS?---Did he send me an invoice from PMS?

Can you please answer my question?---(not transcribable)

Did you have such a discussion?---No.

20 You say though the process of change from your draft in the sum of \$16,000 relating only to New Italy, to a bill the next day that covered New Italy but had no sum for it, but covered other works, that's purely reflected what, you recognising that there had been unbilled works that you still needed to bill? ---Yes.

You deny that there was any influence as to you arriving at the total of \$33,000 - - -?---No.

- - - through Mr Steyn suggesting that you should bill him that amount and that should include a component for PMS. You say that had no influence on you?---No.

30 Sorry, you're agreeing with me it had no influence or you're denying it? ---I had no, he had no influence on that bill.

THE COMMISSIONER: This whole arrangement again looks highly irregular, doesn't it? What you see on the screen?---That's the communication from him.

Yes, it is. You know nothing about PMS having done any work on any of the items that were set out in your draft or set out in your invoice that you asked him to review.---Yes.

40 There's no suggestion they - - -?---If we took this on the value that it is there it means that at the end of the day I had to pay him back \$16,000.

You had to pay?---To PMS.

You had to pay 15,000.---15,000 to PMS.

For what?---I don't know. That's what, that's what this is saying to me here.

Well, on the invoice it said that 15,000 I think is attributed to some alleged work by PMS.---I don't know who PMS is. What does PMS do?

When you submitted the invoice to him on 4 October, the only item that you provided the particulars about was, related to the New Italy project.---Yes.

Then the balance when it comes back from Mr Steyn is nil, the New Italy project.---Correct.

10

That in itself is odd, isn't it?---Yeah, because it was already cleared, issued on a previous invoice.

I see. In any event, you ended up, sorry, your company ended up billing RMS for the total amount of 33,000 plus GST. Is that right?---Yes.

You had no idea why you were billing them for that amount?---I do, because the three, the three issues on there was work that I'd done on that invoice.

20

You say you had done all that work?---Yes, I did.

But you hadn't originally put it in the first draft of the invoice you sent to him.---Because I'd done New Italy on its own in a previous invoice. These other three were not included on that invoice.

MR DOWNING: Perhaps just in fairness, Mr Duchesne, you say you had been to the locations and done the work?---Oh, yes, sure.

30 Putting aside the chain of communication between you and Mr Steyn on that evening, using both his private email and work email address, you can confirm that, for instance, there was work you did at Blackmans Point, north and southbound?---Yes.

And also there was a reference, if we go back to that second box, there's also a reference to Telegraph Point Road. I did leave that out when I was reading it to you.---Yes.

40 And in fairness, you'll notice that that reference does say that the work in the second box was from 24 to 27 July. You see that?---Yes.

If we could go back, please, to page 157 of the same volume, which is part of the exchange of texts.---Yes.

Do you see there are some messages there on 25 July, starting at 108 and going down to 112? Do you see that?---Yes.

And message 109, do you see 25 July, you do say, 6.08am, “No problem. Wanted to know which site.”---Yes.

And then there’s a message to you from Mr Steyn on the 25<sup>th</sup>, “Telegraph Road Point to start.”---Yes.

And is that confirmation that you were there working at that site at the time?---Yes. Telegraph Point and Blackmans Point are virtually in the same location so I can say that (not transcribable)

10

But going back then to the message, if we could go to the message you got by email from Mr Steyn at page 457. You say you simply have no recollection of getting that email and him attaching the revised invoice? ---Yes.

And you have no recollection of what that reference, of ever seeing that reference to PMS?---No.

20 Do you say that the revision that you provided that is – I withdraw that. The bill that you ultimately submitted in the sum of \$33,000, do you say that you came up with that change from the draft you’d sent the day before in the sum of 16,000 yourself or that that was just adopting what Mr Steyn gave to you to send?---Can you repeat that?

You told us that the bill that you ended up submitting reflected work you’d genuinely done.---Yes.

30 And it totals 33,000, which coincides with the sum of Mr Steyn in the email, which you say you don’t recall seeing.---Yes. Yes. Yes.

He tells you you should bill it.---Yes.

And what I’m asking is, do you say that the way in which you came to that final bill, that was actually submitted on 5 October - - -?---Yes.

- - - was independent of anything Mr Steyn provided to you - - -?---It’s independent of anything (not transcribable)

40 - - - you simply took the draft that you started on the 4<sup>th</sup> and then completed it so that it came to \$33,000. Or do you say you adopted the document Mr Steyn sent to you?---I completed the document myself.

So you didn’t take whatever Mr Steyn had sent you as a revision and just sent it back to him?---No.

Tell us, if we go to the form of the final bill, please, so at page 460, you confirmed before with the draft, the sum of \$16,000 looked irregular given the way that you normally billed, correct?---Yes.

Well, do you see here with the second item, with Blackmans Road, Blackmans Point northbound and southbound and Telegraph Point Road, you're referring to work between 24 and 27 July, so four days.---Yes.

Your hourly rate could not come to \$10,000 worth of work over four days, could it?---If you take accommodation into account and travel in there.

10 Do you say that it's just a neat coincidence that it came to a round \$10,000 when you added up your hourly rate plus accommodation plus travel, et cetera.---Travel, yeah, yeah. Possibly. I'm not sure now.

What about the next item, the \$12,000 for works between 13 and 17 August? So that's five days. Again, your hourly rate couldn't come to \$12,000 for that period of work, could it?---No, the, the hours worked on those days was, some, some of them are 14 hours in a day.

20 Well, what was your hourly rate, do you recall that?---Yes. It's always been \$80 an hour.

Well, I'm just going to do some quick maths. That would mean 10 hours is \$800, 20 hours is \$1,600. So you would be looking at perhaps \$1,920 for a day. Do you say that you were working 24 hour days on each of those period of work at Blackmans Point?---No. It wouldn't have been 24 hours a day.

And, Mr Duchesne, when you charge for accommodation, you would put the specific sum, wouldn't you?---Generally, yes.

30 Well, can we go back, please, to page 171, just for an example? Same page – sorry – same volume. So you'll see there, where there's an airfare, it's charged at the exact figure, \$388, the accommodation is 450, the car hire and fuel, you provide a breakdown. That's \$468. Meals, \$123.---Yeah.

40 Let's go back, please, to the final bill at page 460. It's the case, isn't it, that if you'd been meaning to include a hotel cost or a flight cost or a car hire cost or meals, you would have put down the specific sums, you wouldn't have set it out as just lump sums of 10,000, 12,000 and \$11,000?---I should have, I should have broken it down a bit further, yes.

Do you maintain that these were genuine costs for the days of work reflected in each of the entries.---I admit that they are, they seem to be a bit inflated, yes.

They in very stark contrast to all of your other bills, aren't they?---Yes.

Were they inflated because Mr Steyn asked you to inflate them?---No. I, I don't know how he would have gained out of that.

Well, it could have been that, consistent with his email, he was planning to send you a bill for PMS in order to recoup from whatever excess you had charged. Is the evidence that you're giving about the way in which you've come up with these charges truthful, Mr Duchesne?---Yes.

So, you maintain, I take it, that you weren't just doing what Mr Steyn told you to do through his email, that you were billing genuine sums?---Yes.

10 Can I take you back to one other bill, please? If we could go back, please, to volume 14.1, page 298. So I've taken you to a number of examples of your bills where they show itemised breakdowns of the hours, the accommodation et cetera. But 298 – well actually, if we go back, please, to page 297, just to the covering email. You will see that this is an email that you sent to Mr Steyn and TSS Invoices on 24 June, 2018, invoice number RMS010-2006.---Yes.

And if we go to the actual invoice, you'll see it's just a lump sum of \$35,000. Do you see that?---Yes.

20

Now, again, that doesn't look like the rest of your invoices, does it?---(not transcribable) incomplete.

Were there occasions when you invoiced lump sums because Mr Steyn asked you to?---(not transcribable)

If you go back, please, so page 297 - - -?---Can't remember this (not transcribable)

30 - - - is your email. That is your email address, isn't it?---Yes.

And then next page, so it's the email sent Sunday, 24 June, 2018. This is a 20 June, 2018 email. It does look like it's incomplete.---Yeah.

But it's a lump sum of \$35,000. And just pausing there, it's correct, isn't it, that one of the bucket contracts that you had put a proposal for for a sum of \$35,000, correct?---Yes.

40 But the way in which you billed wasn't to just bill lump sums. It was to bill small increments as you went with a breakdown as to what you'd done. ---Yes. Correct.

So looking at this, and indeed looking at the last bill that I took you to, is it possible that there were occasions where Mr Steyn asked you to put in lump sum bills?---No. I don't remember that, honestly.

Thank you, Commissioner. They're the matters I had for Mr Duchesne.

THE COMMISSIONER: Is there any application to cross-examine Mr Duchesne? There's no response. I take it - - -

MR LAWRENCE: I have, Commissioner, just to clarify one - - -

THE COMMISSIONER: You would put to your client some further matters, is that right?

10

MR LAWRENCE: Just one other matter or a couple of matters arising from - - -

THE COMMISSIONER: All right, you may. Yes, all right.

MR LAWRENCE: - - - Mr Steyn's evidence. Thank you, Commissioner.

THE COMMISSIONER: Yes, go ahead.

20

MR LAWRENCE: Mr Duchesne, have you ever been approached by RMS supervisors, that is Mr Dubois or Mr Steyn, about the quality of your work.--No.

Now, was there an instance that you can call where there was quality that had to be reassessed?---Yes.

MR DOWNING: Sorry, I object. Perhaps if we just make that clearer. Quality in the sense of - - -

30

MR LAWRENCE: Quality - - -

MR DOWNING: - - - quality works that Mr, or reports that Mr Duchesne had done or quality of the underlying contractors' works? It's just not clear.

MR LAWRENCE: I shall take that. I'll take you back to the work in Jerilderie and Narrandera.---Yes.

t

As a quality assurance person, while you were in that job, did a situation arise where there was some quality that had to be rejected?---Yes.

40

Okay, could you explain what that was?---There was a conflict in the mechanical drawing, or should I say in the structural drawing when compared to the civil drawing with regards to the footing, and there was a discrepancy in the height which, which meant that the structures were out by about 20 millimetre, and it affected the extension of the bolts, would have affected the extension of the bolts outside of the concrete, and that was raised with, with the design team, and, and drawings were revised to take that into account, and rectification work had to be done onsite.

THE COMMISSIONER: So who had done the original work?---It wasn't the fabricator's issue, it was a drawing issue.

Sorry, I can't - -?---It was a drawing issue, a design issue where the (not transcribable) rails on the structure didn't match the civil, so there was a bit of a conflict in, when they had to put the structures up onsite.

10 MR LAWRENCE: Who picked up that error?---Both myself and (not transcribable) Seina.

And it was while at site in Narrandera and Jerilderie. Is that right?  
---We picked it up at Narrandera I think it was, and, and then of course we, we had to adopt the same rectification work on the other site.

And who did you report back to?---That was reported back to Mr Dubois, Mr Dubois, who then went back to his engineering team to report on that.

20 So that was a, as you said, design and drawings.---Yes.

And is that the only instance where you had to bring a quality assurance matter to people at RMS?---We had some others but they were, but there were no errors detected, the others were picked up before the fabrication took place so there was no issue.

Was there any issue raised about your own work by RMS?---No.

Thank you, Commissioner. That's all I have.

30 THE COMMISSIONER: Mr Duchesne, have you discussed the subject matter of this investigation with Mr Steyn?---No.

Not at all?---No, not at all.

What about Mr Dubois?---I haven't seen Mr Dubois either.

Sorry?---I haven't seen Mr Dubois either.

40 You have not discussed it with him?---No.

Mr Downing, anything else?

MR DOWNING: No, Commissioner.

THE COMMISSIONER: And is there any reason why Mr Duchesne shouldn't be excused from his summons?

MR DOWNING: I don't have a reason why he shouldn't.

THE COMMISSIONER: Thank you, Mr Duchesne. That completes your evidence. You are discharged from your summons.---Thank you.

You may step down.

**THE WITNESS EXCUSED**

**[3.25pm]**

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THE COMMISSIONER: Mr Downing, is there anything else to be done this afternoon?

MR DOWNING: No, Commissioner, and that would then mean, because we're not sitting on Monday, we resume Tuesday.

THE COMMISSIONER: Tuesday.

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MR DOWNING: Are we confirming it's an 11 o'clock start or - - -

THE COMMISSIONER: I think it would be safer to leave it at 11.00.

MR DOWNING: All right. We'll communicate that to Mr Alexander's representatives.

THE COMMISSIONER: Very well.

MR DOWNING: Thank you, Commissioner.

30

THE COMMISSIONER: Thank you. I'll adjourn.

**AT 3.26PM THE MATTER WAS ADJOURNED ACCORDINGLY**

**[3.26pm]**