

From: [Russell Carstensen]

Sent: Thursday, 21 February 2019 1:11 PM

To: Abetz, Eric (Senator); 'senator'; fad.sen@aph.gov.au

Cc: Wong, Penelope (Senator)

Subject: Senate Estimates Committee : Helloworld/QBT (I request that privilege is attached to this email and communication)

Dear Chair and Deputy Chair,

My name is Russell Carstensen, I've been advised by a friend that my name was mentioned in the Senate's Estimate Committee today. I've just have had a chance to watch the committee and I felt that the context of my meeting with Ambassador Hockey needed clarification.

I'm no longer working for Helloworld nor have any financial or investment connection with Helloworld. I left the company officially in August last year. I was Group General Manager of QBT (And APX the New Zealand's equivalent of QBT), I ran that business when QBT won the WoAG Travel tender. This was before the merger of AOT and Helloworld in around 2015/6.

After that merger I reported directly to Andrew Burnes who was the major shareholder and CEO of the new group. The AOT WoAG Hotel Corporate business was put under my control just before I left the business and I was involved with last year's AOT tender WoAG strategy meetings but none of the meeting with WoAG.

Early 2017 Andrew Burnes advised me that his long term friend Mr Hockey was frustrated that his travel arranges were unprofessional and with limited hours of operations. I could understand this would be a frustration in that position. Mr Burnes told me that he was going to arrange a meeting with Mr Hockey and me at some point in the first half of 2017. As we had the DFAT contract via the Australian WoAG Deed I assumed that there could an extension done to cover all Australian Embassies worldwide. I found out later that they weren't covered in any way in the Deed.

My relationship with the Department of Finances WoAG travel team has always been professional, transparent, trusting and friendly but with proper governance processes in place that were never crossed. They are hardworking honest and extremely dedicated to ensure that the Australian taxpayer gets full value for money. QBT provided excellent travel services to the Australian Federal Government.

Around the date of the 23rd of April 2017 I was in Europe on personal leave and some business and was planning to fly directly home to Melbourne when I was contacted by Mr Burnes via email/SMS and voice call to tell me he had arranged a meeting with Mr Hockey and I had to fly home via Washington to meet with him. I asked Mr Burnes how could this be done so quickly he verbally advised me, "Hockey owes me". I found that "owes me" comment strange in the circumstances but it's not an unusual term from Mr Burnes when talking about his business relationships. I knew Mr Burnes and Mrs Burnes has had a long term friendship with Mr Hockey and his family.

As all my emails and meeting notes were handed back to Helloworld on my departure from the business so I haven't got all the exact times or dates but from memory which does serve me well.

I emailed Mr Hockey directly via his government email address saying that Mr Burnes has told me he (Mr Hockey) was ready to see me in Washington. Mr Hockey's assistant contacted me and arranged a meeting on at 10.30am on the 26th of April in the Australian Embassy in Washington.

Ambassador Hockey, a Mr Mc Phillips and a Mr Richards were in attendance . We spoke for about an hour and was provided with Mr Hockey's travel frustrations, which I totally understood. After the meeting I left without any further communication until I returned to Australia and debriefed Mr Burnes on the meeting. I advised him that the Embassy business would have to go to Tender but there was a excellent opportunity to get that business, especially that wanted and to hub the America's travel out of Washington as discussed . At the time Helloworld was looking at buying a corporate business in the USA, one based in the Washington area. I told Mr Hockey this.

On my return I emailed Mr Hockey directly to his embassy email address and gave him the corporate travel options in detail. I assume these details could have been used at a basis of the tender requirements if a tender came up.

I sent a copy of that email to Mr Burnes. I also advised WoAG Travel I met Mr Hockey. The feedback from the WoAG Travel team was that they were uncomfortable with the meeting. I decided then that I would not follow up with Mr Hockey. I was advised later in a conversation that 'people' in DFAT were uncomfortable that Mr Hockey met me and that he was a shareholder of Helloworld. If I remember correctly I did not know at the time of the meeting in Washington that he was a shareholder.

Yours sincerely
Russell Carstensen