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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE MEGAN LATHAM

PUBLIC HEARING

OPERATION NESTOR

Reference: Operation E14/1922

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON THURSDAY 5 MAY 2016

AT 2.05PM

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

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

MR ROBERTSON: Commissioner, I've tendered some further documents this morning. You made a direction under Section 112, with respect to exhibits N1 through to N4, regarding personal information.

THE COMMISSIONER: Yes.

MR ROBERTSON: I respectfully ask that you extend that - - -

THE COMMISSIONER: Yes.

10

MR ROBERTSON: - - - that direction to Exhibits N5 through to N9.

THE COMMISSIONER: Yes, all the personal identifier information contained in the exhibits thus far tendered is suppressed from publication pursuant to section 112 of the Act.

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**ALL THE PERSONAL IDENTIFIER INFORMATION CONTAINED  
IN THE EXHIBITS THUS FAR TENDERED IS SUPPRESSED  
FROM PUBLICATION PURSUANT TO SECTION 112 OF THE ACT**

**<VERONICA HELEN-GRACE SKINNER, on former oath [2.06pm]**

30

MR ROBERTSON: As you please Commissioner. Ms Skinner, just some final questions. I take it you acknowledge that the principal purpose of a Local Aboriginal Land Council is to try and advance the interests of local Aboriginal people within a particular local area? You acknowledge that?---  
Yeah, yeah.

And you knew that that was the principal purpose of the Casino Boolangle Local Aboriginal Land Council when you were working there?---Yeah.

You'd have to accept, wouldn't you, that your activities in cashing cheques and keeping the proceeds, to which you weren't entitled, operated to defeat that purpose?---Yes.

40

And I think you accepted from me earlier that you breached the trust of the board members of the Local Aboriginal Land Council?---Yes.

And it's not just the trust of the board members that you breached, is it? It also really extends to being a breach of trust to the whole local Aboriginal community. Do you accept that?---Yeah.

Nothing further, Commissioner.

THE COMMISSIONER: Yes, Mr Lewis.

MR LEWIS: Thank you, Commissioner. I represent Ms Stewart. I just wanted to ask you about your work history. Before you commenced at the Land Council, did you have another job?---It was a part of the CDP program.

Ah hmm.---Yeah, at the Casino Hospital.

At the Casino Hospital?---Yeah.

10 Yes, thank you. And when you were working with Ms Stewart, if she wasn't there, you took over her role.---Yes.

Did you? And I think in 2010, for example, she was on some extended leave.---Yeah.

For four months?---Yeah.

And you'd performed her duties during that time?---Yes.

20 All right. When she was there, was it your habit with her to go to the club after work?---Yeah.

And would that be on Wednesdays, Thursdays and Fridays?---Pretty much.

Pretty much?---Yeah.

Any other days?---Could be other days.

Any other - - - ?---Yeah.

30 - - - other days as well?---It varied, yeah.

And that was just your routine after work?---Yeah.

So you'd go together to the club?---Yeah.

Have a beer?---Yeah.

Yeah. And play the pokies.---Yeah.

40 Yeah. All right. Thank you. Nothing further. Thank you.

THE COMMISSIONER: Thank you, Mr Lewis. Ms Hughes.

MS HUGHES: Ms Skinner, you left the Land Council in 2011, is that right?---Yes.

And after you left, did you come back to the office at any stage?---Not that I'm aware of. I can't recall anything.

And did you meet up with Ms Stewart at any stage?---Not that I can recall.

And you recall whether you signed anything in relation to work at the Land Council after you left?---Not that I can recall after I left, no.

Nothing further.

10

THE COMMISSIONER: Yes, thank you, Ms Skinner. You may step down.---Yeah.

Excused for the time being.

**THE WITNESS EXCUSED**

**[2.09PM]**

20 THE COMMISSIONER: Yes, Mr Robertson.

MR ROBERTSON: Can I recall Ms Stewart?

THE COMMISSIONER: Just take a seat Ms Stewart. You are bound by your former oath?---Yes.

And you are still subject to the terms of the Section 38 order. Do you understand that? Yes.

10 Yes, Mr Robertson.

MR ROBERTSON: Ms Stewart, can I just clarify a few matters arising out of this morning. Ms Skinner resigned as your administrative officer and ceased working from about October of 2011. Is that right?---Yeah, roughly.

And do you recall - - -?---I don't, I don't recall, but - - -

Now do you recall the circumstances of that resignation and in particular did you encourage her to resign or have any discussions with her with respect to that?---No. I know Charley wanted to downsize in the office. So there was talk of not keeping her on. So she - - -

And can you just explain that nature of that, of that conversation? It was Charley suggestion to downsize, downsize. Is that what you said?---Yeah.

And did he say why he thought that downsizing should occur?---Well he was doing more work for us so he was taking more money through what he was doing with the accounts.

30 And did you communicate Charley's desire regarding downsizing to Ms Skinner?---Yeah, I said there's a possibility that in the next um, financial year there mightn't be a position there or it might only be two days, a week or something.

And you spoke about Charley Van Rotterdam a minute ago. Did Mr Van Rotterdam try and encourage you to take up Netbanking and electronic funds transfers?---He did, yes.

40 And did you agree to go along with that suggestion?---No.

Why not?---I didn't like the idea.

Why not?---I don't know why, I just didn't like the idea of Netbanking.

Well was it at least in part that if there was Netbanking and someone else having control of electronic funds transfers - - -?---Mmm.

- - - it would be harder for you to cash the cheques and keep some of the proceeds like you did?---Well it might have been easier for me to do it.

I'm sorry, say again?---It might have been easier for me to do it.

Sorry, can you just explain that? It would have been easier - - -?---Well the Board probably would have given me their passwords and I would have been able to do it with no one there so I could have easily done more money than I did. Do you understand what I'm trying to say? That's one of the  
10 reasons why I didn't want to do it.

THE COMMISSIONER: I don't know whether we're talking cross purposes here. The Netbanking that is being referred to is where the money is electronically transferred - - -?---Yeah, yeah.

And you don't actually receive the cash, it just goes from one account to the other?---Yeah, yeah. Yeah, well I could have - - -

Are you suggesting that you would be transferring money from the LALC  
20 account into your personal account?---Yes, yeah.

You appreciate that that would leave a record behind - - -?---Yeah.

- - - like an electronic record though?---Yeah, yeah.

MR ROBERTSON: So is what you're saying that you're resistance to Netbanking had nothing to do with your scheme in cashing cheques and keeping the proceeds?---No, I don't think so. I just thought I'd have more access to the money through Netbanking. That was my opinion at the time,  
30 so - - -

And is that, is that why you didn't want to go to Netbanking was it?---Yeah, yeah. I thought I'd have more access to money and I didn't want that. I don't know whether I would have or not, but that was what I thought at the time.

And why did you not want that access? Were you concerned that you might take it?---Yeah, I was concerned I'd take more money.

40 So you were concerned you might take more money - - -?---Yeah.

- - - and might put more money into the poker machines?---Yeah.

Is that right?---Yeah.

Can the witness be given access to Exhibit N3, volume 1?

THE COMMISSIONER: Ah hmm.

MR ROBERTSON: Can I ask you to turn to page 184, using the numbers on the bottom right hand corner. It'll come up on the screen shortly as well if it's easier for you to have a look at?---184?

184, yes?---Yeah.

Now I think you said in answer to one of my earlier questions your net payments were usually about \$873?---Yeah.

10

And do you now see at page 184 a bank account statement from one of the Aboriginal Land Council's bank accounts?---Yeah.

And if you go to 4 October, do you see there a cash cheque for 2-1-4-8 of \$873?---Yeah.

And you agree with me don't you that 873 matches the usual payment you would receive by way of your salary?---Yeah.

20

And if you look at the next 4 October number can you see an amount of 545?---Yes.

And that was the net payment that Veronica would receive as administrative assistant?---When you say net payment, it wasn't a net payment. Like I'm thinking internet but was it - - -

I'm sorry, I'm sorry, when I said net I meant - - -?---I thought you meant like internet but it's actually net payment of wages, yeah.

30

Yes, I'm sorry, but net I meant if there was any tax taken out that happened beforehand?---Yeah, yeah.

So there was \$873 actually - - -?---I just got confused that's all.

- - - actually received on - - -?---Yeah.

- - - payment that would ordinarily be received by Ms Skinner?---Yeah.

40

I'm sorry for the - - -?---Yeah. No, that's all right.

- - - not making that clear. So subject to that clarification you agree that the 545 matches the - - -?---Yeah.

- - - payment that would ordinarily be received by Ms Skinner?---Yeah.

If you can then have a look at 5 October.---Yeah.

Can you see another payment to you of \$873?---Yeah.

And another payment of \$545?---Yeah.

And again you'd agree that they match with - - -?---Yeah.

10 - - - the amounts of money usually paid? Now, is there any reason why either you or Ms Skinner might have been entitled to be paid two payments within a single day?---We could have been going away the following week and we wouldn't have been there to get our pay.

I'm sorry, can you say that again?---We could have been going away for a meeting the next week so we wouldn't have been there to, to write cheques for our pay so we got it early.

But if you can turn the page to page 185, can you see some references to there to 12 October?---Yeah.

20 And you'd agree with me I take it that that's about a week after 5 October? ---Yeah, nine days whatever it is.

And so the explanation you've just given couldn't - - -?---I'd have to look at the paperwork to say what, what it was.

Well, let's do that. Can the witness be given access to Exhibit N2, volume 1 and going to page 184?---So what was the page again?

30 Exhibit N2, volume 1, page 167 I'm sorry. I think I might have said 184. I meant 167. So can you see there that's one of the cheques with a cheque number of 2-1-5-3?---Yeah.

And do you see that that cheque number matches with the 5 October date appeared on - - -?---Yeah.

- - - appeared on the statement? And you would accept that that cheque looks like a cheque for your usual payment of your salary?---Yeah.

40 If the witness can now have access to Exhibit N6 which I tendered this morning. So do you now see there a certified correct for payment form referable to 4 October, 2011?---Yeah.

And can you see a reference there to cheque 2-1-4-8?---Yeah.

And that would seem to match the other payment on 4 October. Is that right?---Yeah.

And you can see there the notes by reference to wages?---Yeah.

So this looks like a double payment for both you and Ms Skinner - - -?  
---Yeah.

- - - on 4 and 5 October doesn't it?---Well, it does but it could have been for  
the following week.

Well, didn't we make clear it couldn't have been for the following week  
because we had a look at 12 October?---You'd have to look at the accounts,  
the electronic accounts that Charley does every month to see what that wage  
10 was for. If it was an overpayment it would come up as an overpayment.

But you would have to accept wouldn't you that we've got two payments  
within successive days.?---Yeah, but - yeah.

Absent, absent something strange happening or something going wrong - - -  
?---Yeah.

It appears that you've been paid twice when you're only - - -?---Well, it  
appears that way.  
20

Yes.---But you'd have to look in what Charley put through the accounting  
system. If it was an overpayment it would come up as an overpayment.

Yes. So in short you're saying it looks like a double payment but sitting  
there now you're not in a position to concede or not as to whether or not it  
was a double payment. Is that a fair - - -?---Well, I don't recall getting  
double payments. It was either for when we went away we got out pay  
early.

30 Yes. So you - - -?---So - - -

So you accept you received the proceeds of both of these two cheques - - -?  
---Yeah.

- - - I've taken you to?---Yeah, I accept that, yeah.

But you're not in a position to - - -?---Well, I'm not in a position to know  
where - what it was for.

40 Whether it was a legitimate payment or - - -?---I know it was for wages.  
Yeah.

You're not in a position to confirm whether it was a legitimate payment or  
in effect a double payment?---No. If it was an overpayment we would have  
paid it back.

Well, why do you say if it was an overpayment you would have paid it back,  
noting that it was - - - ?---Charley would have picked it up.

I see.---Because Charley's our accountant. He would have picked it up and said you got overpaid that week, so you need to pay that money back.

So you wouldn't have picked it up yourself and offered it back? It was something that you think Mr Van Rotterdam would have picked up?---Well, I'm assuming it was for another week's pay, either the week before or the week after. I don't know. I can't tell by - - -

10 THE COMMISSIONER: Ms Stewart.---I thought I would.

Can I just ask you, in relation to those cheques, the ones that we're looking at for the purposes of you and Ms Skinner being paid a salary.---Yeah.

Who prepared the documentation for the board's signature on those cheques? Did you prepare the - - - ?---The timesheets, yes.

And did you also prepare the cheque?---Well, that – that's not my writing.

20 Do you know whose writing it is?---It looks like Veronica's.

And so would she prepare the cheques for your wages and you'd prepare the cheques for her wages?---Well, it depended on who done the cheques for that week who would write them up.

Well, I appreciate that, but there was no-one else who was in a position to prepare the cheques.---No, no.

30 So either you or Ms Skinner were preparing the cheques for your wages. ---Yeah.

MR ROBERTSON: And with respect to Exhibit N7, I think you said the handwriting of Linda Stewart is not your handwriting but might be Ms Skinner's handwriting. Is that right?---Where's that?

Do you have an Exhibit N6, a yellow piece of paper?---Yes.

40 I think you said, in answer to one of the Commissioner's questions, it looks like Ms Skinner wrote the words "Linda Stewart". Is that right?---Yes.

But it's your handwriting adjacent to the word "notes", isn't it? Where it says "wages".---Yeah, I think that's my writing. For wages.

And do you have Exhibit N7 there?---I don't know what N7 is, so - - - I've just given you access to N7. The same answer applies to the word "wages" - - - ---Yeah.

- - - on that sheet of paper as well.---Yeah, that's my writing.

Will the witness be given access to Exhibit N3, volume 3, please? And can I ask you to turn to page 221 of that volume? Do you see there a timesheet pertaining to Mr Hickling?---Yes.

And this is one of the documents I've taken you to before. But can I ask you to turn forward a few pages to page 234?---234?

234, yes.---Yes.

10

MR LEWIS: Could we have it on the screen?

THE COMMISSIONER: Yes. It's coming.

MR ROBERTSON: Page 234, volume 3 of exhibit N3. Now, I think you accepted from me before that the signature at about seven-tenths of the way down the page was your signature?---Yes.

20 And I think you said to me that the signature above the employee signature was not put by you?---That's not my writing, no.

But it looked a bit like Veronica's writing? Ms Skinner's writing?---I can't say.

And can I just ask you to have a look at the dates in the top right-hand corner. Do you see a reference there to December 2011, sorry, 22 December, 2011, to 28 December, 2011?---Yeah.

30 And that was after Veronica had already left from the - - - ---Yeah.

- - - Aboriginal Land Council.---Mmm.

Now, if Ms Skinner in fact signed this document, do you recall when that would have occurred?---That would have been when the audit was done.

Which was when?---The end of financial year was the 30<sup>th</sup> of June. So from July till October, we would prepare all our paperwork for the auditor.

40 But if Ms Skinner left in about October of 2011, how would she then be signing a document which refers to a December period?---Well, I would have asked her to come in to say that there's paperwork that you need to sign for the audit, because you was working in that office. But that's probably just a mistake, why she signed that one.

So do you have a recollection then of Ms Skinner either coming back into the office or perhaps you going to her after she resigned from your employ? ---Yes.

And so does it follow from that then that at – I'll withdraw that. So you're quite sure are you that - - -?---These would have been signed in July of '12.

Even though - - -?---For the, for the audit of the previous year.

I see. Even though she wasn't the administrative officer?---Even though she wasn't working there.

10 And do you recall whether she came in to do that or - - -?---Yeah, she came into the office.

So your best recollection is that she came into the office when the audit was being done for the financial - - -?---Yeah, well yeah, I was getting all the paperwork ready for the audit, so I needed signatures.

I see. And she came in and - - -?---Yeah.

20 - - - in effect signed things on your direction?---Yeah. Even though she wasn't employed there.

I understand?---Okay.

Now I assume you accept that the purpose of a Local Aboriginal Land Council and your purpose as the CEO of a Local Aboriginal Land Council was to advance the interests of Aboriginal local people - - -?---Yep, yeah.

- - - Aboriginal people?---Yeah.

30 With a particular focus on the local area?---Yes.

And I take it that you accept that by cashing cheques and keeping the proceeds when you shouldn't have, that acted to defeat that purpose? ---Yeah, yeah.

And I think you accepted from me before that you at least breached the trust placed in you by members of your Board?---Yeah, yeah.

40 But you have to also accept wouldn't you that you breached the trust of the local Aboriginal community more generally - - -?---Yeah, yeah.

- - - in the acts that you did?---Yeah.

Do you accept that?---Yes.

Nothing further.

THE COMMISSIONER: Ms Hughes, any questions.

MS HUGHES: Just one. Ms Stewart I appear for – on behalf of Ms Skinner. You said that you have a clear recollection of Ms Skinner coming in afterwards to sign documents which related to a period when she was no longer employed there?---Mmm.

And this was for the purposes of satisfying an audit?---Yeah.

10 Can you explain why an auditor would have been satisfied by having a signature of somebody who was no longer employed on the form?  
---Because she signed Dwain Hickling's name on her name. That cheque was made out to Dwain Hickling. So she signed his signature, she signed his name.

So it's her signature signing his name?---Yes.

Nothing further.

20 THE COMMISSIONER: Mr Lewis.

MR LEWIS: Commissioner, thank you. Ms Stewart, when did you commence work the very first time for this Land Council?---In 2000.

In 2000. What was your position when you started?---Admin assistant.

So you were fulfilling the role of the admin assistant at that time?---Yes.

And after some years the then CEO left?---Yes.

30 And you were promoted to being the CEO?---Yeah, yeah.

You applied for the job?---Yeah.

And you won it?---Yeah.

And that was in 2008?---Yes.

And up until 2010 when you started dishonestly taking money - - -?---Yeah.

40 - - - had you done anything dishonest in relation to - - -?---No.

- - - your employment there?---No. No.

Nothing?---No.

You have an addiction to gambling?---Yes.

And you recognise that?---Yes.

Since you left your employment in 2012 - - -?---Mmm.

- - - how have you been managing that problem?---I don't um, I don't have access to money so I don't go to the clubs as much as I did, because I don't have access to that sort of money any more.

So in a sense are you saying that the access to - - -?---It's controlled I think my addiction, is controlled.

10 The access, the access to the money was part of the problem of your addiction?---Well I had the addiction so the cheques were a way of feeding that addiction.

And do you wish to express any remorse or regret or apology?---Yes. Yes, I'm sorry for what I done.

Nothing further. Thank you.

20 THE COMMISSIONER: So you're not presently employed?---No, I'm a carer for my mother.

Right. And so you just get a carers benefit?---Yeah, every fortnight.

Do you have any questions arising?

MR ROBERTSON: No, I don't.

30 THE COMMISSIONER: Yes, I think you can step down, Ms Stewart. That concludes the, the public inquiry.

MR ROBERTSON: Other than setting a timetable for submissions.

THE COMMISSIONER: Yes, other than setting a timetable.

MR ROBERTSON: My friends and I suggest three weeks and three weeks which would make my submissions due on 26 May and my friend's submissions due on 16 June.

40 THE COMMISSIONER: All right. Well then I'll simply direct that the submissions from Counsel Assisting should be filed and served on the parties on or before 26 May and submissions in reply should be filed and served on or before 16 June. If there is a need for any further submissions from Counsel Assisting after the receipt of submission on 16 June, I think one for the week would do it wouldn't it Mr Robertson, 23 June?

MR ROBERTSON: It would, but I may have some practical difficulty. In fact no, one week, one week is fine, so 23 June.

THE COMMISSIONER: I mean it's unlikely to arise but for abundant caution I'll say 23 June.

MR ROBERTSON: May it please the Commission.

THE COMMISSIONER: Thank you Mr Lewis, thank you Ms Hughes. Thank you - - -

MR LEWIS: Commissioner - - -

10

THE COMMISSIONER: Yes, Mr Lewis.

MR LEWIS: Just to be absolutely clear my client is now excused from her summons?

THE COMMISSIONER: Yes, yes.

MR LEWIS: Thank you.

20

THE COMMISSIONER: And thank you counsel assisting. I'll adjourn.

**THE WITNESS EXCUSED**

**[2.31pm]**

**AT 2.31 THE MATTER WAS ADJOURNED ACCORDINGLY**

**[2.31pm]**