

GREERPUB00423
16/05/2016

GREER
pp 00423-00465

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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE MEGAN LATHAM

PUBLIC HEARING

OPERATION GREER

Reference: Operation E14/0362

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON MONDAY 16 MAY 2016

AT 2.00PM

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

THE COMMISSIONER: Yes.

<WENDY MORGAN, on former oath

[2.00pm]

MR HENRY: Thank you, Commissioner. Ms Morgan, do you still have volume 9 there?---No. I've only got volume 10.

10 Oh, Okay. Could you please hand back volume 10, and I'll ask you to be provided with volume 9, please, at page 129. I took you to this set of minutes earlier today. These are the GLALC minutes of the ordinary members' meeting of 27 July, 2011. And you may recall I asked you, when I took you to this document, whether by this point in time you were a director of GLALC, and you said not at that point in time. Do you recall?
---I do.

Nonetheless, you were a member of GLALC at that point in time, weren't you?---Yes, I was.

20

Now, I took you to page 132 and referred you to the GLALC Future Fund resolution or motion, on page 132. Do you recall that?---132?

Can you see the motion there on page 132?---Yes, I can. Yes, I can.

My first question for you is whether you, albeit not as a director, were you in attendance at this meeting as a member?---I can't quite recall.

30 All right. In relation to the GLALC Future Fund resolution at page 132, you'll see that it says, "The members resolve that they totally support the GLALC Board resolution that all funds surplus to the operating needs of GLALC shall be loaned to Gandangara Future Fund Limited on a commercial basis, secured by a charge registered with ASIC," and so on. Did you have in July 2011, or shortly thereafter, an understanding as to whether GLALC lent money to GFF?---I didn't have an understanding because I wasn't a regular member at the local Land Council meetings. I lost my daughter, and through a period of time we used to go to meetings together, and it took me a long time to actually get my strength back to go back to the Land Council.

40

Right?---And during that year was when my sister was sick in hospital and she was passing away so I'm not quite whether I actually went to this meeting.

Okay. I understand you can't recall if you were at the meeting but obviously shortly - - -?---Even from any of the other meetings prior to that I possibly was not at the meetings because of my family situation at that particular time.

All right. You did nonetheless, not too long after this meeting, several months after this meeting become a director of GLALC?---That's correct.

And when you became a director of GLALC did you have any understanding about loans being made to GFF from GLALC?---The only information I did have was from members in the community that were meeting me either on the street or having a cup of coffee with because I retired from the Commonwealth Government in the, I think it was the
10 August of 2011. And they were talking about what was actually happening at Land Council. So it would've been kind of like you know, second hand information.

What about, if you turn to page 183, please. You'll see there minutes of a GLALC Board member of 10 October, 2011 and you're said to be in attendance, can you see that?---Yes.

And then page 184 and I've taken you to this document too, starts motion 4 and it says "In accordance with section 72 ALRA, the Board reaffirms the
20 following delegations for the remaining 12 months or until completion or until review by the Board". And then there's a list of delegations and over the page at page 185, line 21 or item 21 is "In line with both Board and members resolutions the CEO has authorised to ensure that all surplus funds are lent to Gandangara Future Fund Limited in line with the resolution". Can you see that there?---I can.

Do you have any recollection of being present at that Board meeting?---No, I don't.

30 All right?---I don't have a recollection of the motions for those, all the, all the things that are itemised or numbered in that motion because you would assume that one of those things was a resolution and they would be a vote on that one particular thing. So, yeah.

The way the - - -?---The way it's written is like was all, what after another.

Yeah. So if you have a look at page 186 it suggests that the totality of motion 4 was moved by one person and seconded by another and carried.
40 Do you see that?---Yes.

And I appreciate what you say you don't recall this particular resolution being put. Did you nonetheless whilst you a director have any understanding about a delegation in favour of Mr Johnson to lend money from GLALC to GFF?---Not that I recall, no.

All right. And were you ever informed whilst you were a director of any money being paid or lent by GLALC to GFF?---Not that I recall.

All right. I have no further questions.

THE COMMISSIONER: Thank you. Yes.

MR DUNNE: Ms Morgan, my name is Dunne and I represent Ms Shipley. Do you recall answering questions for Counsel Assisting in relation to training which you undertook whilst you were a Board member with the GLALC?---Yes.

10 And that was in Wollongong?---That's correct.

Now, do you – your first Board meeting was on 10 October.---Yes.

Do you recall whether that training took place before or after your first Board meeting?---It was after I recall.

After. And was it before your second Board meeting on 12 December?
---That I can't recall I'm sorry.

20 Before Christmas?---I can't recall I'm sorry.

Before the extraordinary meeting on 20 January?---Yes.

And do you recall whether Ms Shipley attended that training with you or not?---In Wollongong?

Yes.---No.

30 Ms Shipley wasn't with you in Wollongong at that training meeting?---No, she wasn't.

I see.---Oh, wait a minute. I'm sorry. I've misled you. Dorothy was there, yes.

Dorothy was there?---Yeah.

And did you have any discussion with her – you would have discussions with her when you were down there or shortly before you were down there - -?---Yes.

40 - - - in general? And did she ever say something to you, or not, along the lines of I've been to one of these meetings before or this is my first meeting?---I can't recall.

So you don't know whether this was her first meeting or not – her first training or not?---First training. I don't know.

I see. Thank you. Now, if I can just take you to the extraordinary meeting on 20 January.---Ah hmm.

Do you still – look, do you still have volume 9 in front of you?---Yes, I do.

All right. If I could just take you to page 189. Have you got that?---I've got that, yes. Sorry.

10 I see. And at the top it says in attendance and it lists seven people in attendance and at point 7 under attendance it's got Ms Shipley. She attended by phone. Is that correct?---That's, that's what's written here.

Is that your recollection or you have no recollection?---I have no recollection.

20 I see. Now, you've also given evidence about a further phone call that you received from Ms Cronan before or on 27 January. Do you recall that?---I recall stating that I did get a phone call from Ms Cronan but I couldn't tell you whether it was actually on 27 January.

I see. And was that a phone call - - -?---Unless it's written in here where it's actually documented and I would have agreed to it.

I see. And this is where you were asked to give your vote if you like on whether to revoke Mr Johnson's suspension. Do you recall that phone call? ---Yes, I do.

30 And was that a phone call just between you and Ms Cronan or was it a conference call with other members of the Board?---From what I recall it was just a telephone call between Ms Cronan and myself.

I see. And you told Ms Cronan that you were not in favour of the motion. Is that correct?---That's correct, yes.

And shortly thereafter is it correct that you resigned from the Board?---That's correct.

40 Did you receive a subsequent telephone call with Ms Cronan advising you of the outcome of the vote?---Not that I recall.

How did you, how did you become aware of what the outcome of the vote was?---If I can remember correctly I think I rang Dorothy and I rang Vicki because I was concerned that that motion was actually revisited and the motions – the resolution that we put on the floor wasn't carried through by what the Board had actually made a decision to actually do. So I probably did ring Dot Shipley, Vicki Wade and say, you know, what happened.

And do you recall what they told you or do you recall what either of them told you specifically?---Well, they agreed that, you know, they didn't understand what happened either. And, yeah.

But how did you become aware that, even though you had voted against the motion to reinstate Mr Johnson, that he was in fact reinstated? Do you recall?---Could have been through the grapevine, sir. The Koori grapevine's pretty good, so, you know.

10

I see. So, in any event, when you found out that the motion that you had voted against to reinstate Mr Johnson had been passed, you then decided to resign from the Board?---That's correct, yes.

And I think you told Counsel Assisting that you had rung the Registrar of the Aboriginal Land Council?---That's correct.

And did you ring the New South Wales Aboriginal Land Council?---That's correct.

20

Did you tell either Ms Wade or Ms Shipley that you were going to contact either the Registrar or the Land Council?---I may have. I can't really recall exactly what happened what transpired in our conversation. But I probably, you know, I could have said I was going to do that, yeah.

So you're not sure whether you told them before. Do you know whether you told them after you'd complained?---I don't recall.

You don't recall. Yes, thank you. Those are my questions.

30

THE COMMISSIONER: Thank you. Yes?

MS RONALDS: My name's Ronalds. I appear for the Registrar and I've just got a few questions to ask you. You understand that there's two sorts of meetings. There's members' meetings and then Board meetings.---That's correct.

And I realise you were only on the Board for a very short period of time, but in that experience, is it correct that no members usually attend the Board meeting?---That's correct, yes.

40

That it is only those who have become Board members - - - ?---That's correct.

- - - who attend those meetings?---That's correct.

And are you aware whether the minutes are published on the website?---No, I'm not aware.

And you attended, over the years, some members' meetings, ordinary members' meetings?---Not for a period of time. I lost my daughter in 2003

Sorry, I didn't need to take you back to that, but, yes.---No, but I need to explain this. This is why I wasn't at the Land Council meetings until I retired from the Commonwealth Government, which was 2011. So I took a long break, because I've got to bring myself to turn up at the Land Council meetings.

10

And did you decided, after you retired, that you had some more time and you'd like to put some effort into the community?---Yeah, well, my son come home to live and he said, "Mum, we need to get back in there, you know? You need to get back."

Mmm. So you ran for election at a general AGM, as I understand?---That's correct, yes.

And obviously you were successful?---Yeah.

20

And now, if you're thinking back to your first meeting that you attended as a Board member, and I know it's hard, it's a long time ago, but on 10 October, 2011, do you recall what sort, if any, of papers you received from the secretary or the CEO or someone acting under his direction in preparation for the meeting? So, were you sent an agenda, for example? ---No. If there was anything there, I don't recall. But if there was anything for us to actually read at that particular meeting, because I believe that is where the first election takes place for the chairperson and the deputy chair, it would have been at the table.

30

So any documents you were provided were handed to you at that meeting? ---Were on the table when you sat down, that's correct, yeah.

And were you invited to come an hour earlier to read them or were you told that that would happen?---No, I wasn't invited.

So you sort of had to read them on the run, so to speak?---That's correct.

And the second meeting you attended on 12 December, 2011?---Yes.

40

Do you recall that once that had been sorted who the Chair was did you receive any advance notice of what the agenda for 12 December meeting prior to attending it?---No, I did not.

And again were you sent any papers to read and consider before you attended the meeting?---No, I was not.

And was it the same as you described that when you arrived there were a bundle of papers at the seat where you sat down?---That's correct.

And I think you indicated earlier that Mr Johnson would address the meeting about what the issue was?---That's correct.

And what you had to scan the documents, if there were any, while that process was being followed?---That's correct.

- 10 And you've given some evidence about having a meeting with someone from the New South Wales Aboriginal, well from NSWALC, do you remember that?---Yes.

And is it possible that the person was, well you described one person, is it possible she was Laila de Souza?---It's possible.

And were you aware that she was lawyer working for NSWALC?---At the time she probably introduced herself and told me who she was.

- 20 Because I think you've given evidence you used to work there?---That's right.

But that was some time back?---That was a long ago.

That was a long time ago?---Yes.

Yeah. That's what I thought. And gave them some documents and then they returned those documents to you, is that correct?---That's correct.

- 30 And the meeting of 20 January, that was the meeting which was called quickly without Mr Johnson being advised. And so was it Ms Cronan who ran that meeting?---Yes, it was.

And again, no agenda provided beforehand?---No, no agenda.

And you were only called on the day of the meeting as I understood your evidence, is that correct?---I don't recall whether I was called on the day or the day before, sorry.

- 40 But a very short compass?---Yes.

A very short period of notice from when the meeting was called to when you attended it?---That's correct.

And again, nothing sent to you beforehand?---No.

And the documents you've talked about you've identified a document, it hasn't been shown to you that was given to you about the situation as you

understood it, that was again provided to you when you attended the meeting?---That's correct.

Now I'd just like to explore your resignation with you if I could just temporarily. You put that resignation in writing?---I did.

10 And do you remember who you sent it to?---I don't, I don't remember you know. I probably sent it to Mr Johnson and Ms Cronan, all the other Board members, I would've included them in, in the email as well letting them know that I was resigning.

And to the best of your recollection, again we accept it was a long time ago. Did you set out reasons for your resignation or just a simple one liner, I'm resigning?---I don't recall.

It's just that we've not seen it so I'm just seeing whether you could recall - - - ?---Oh, okay, okay.

20 - - - what you did?---It could've just been a one liner, I resign.

And you've indicated that Ms Shipley and Ms Wade resigned on or about the same time?---Yes.

And did you have discussions with them about your intention to resign?---Yes, I did.

30 And did you three of you have a meeting or was it just a series of phone calls?---I discussed it at our extraordinary meeting when the documents were handed out to us because you know, I felt that either things would rectified or I would have to resign because I didn't want to be associated with the kind of behaviour that was, was allowed to happen.

Right. And you did that partly for your own reputation?---That's correct, yes.

That you didn't want to be associated with something you didn't think was proper?---That's correct.

40 And partly, was there any other reason?---Well I also felt that even if you, you know, when Mr Johnson was there I felt that you know, the threats of, you know, you have to do this, I'm a solicitor, you know, it was quite overwhelming and I felt it was quite - I've been subjected to domestic violence, you know, and I wasn't going to have somebody speak to me and treat me the way that I was being treated at the table.

And was that all of the meetings or just - - -?---It was at two meetings that I recall.

Right. So you felt intimidated?---I did, yeah.

And you felt intimidated in your capacity to act as a Board member?
---That's right.

And I don't know if you've still got volume 9 there, do you?---Yes, I do.

10 Could I ask you to turn to page 260. Now, you won't have seen this document. I just want to – this is a draft – it's notes to the amendments but if we could just roll down the page – sorry, see further down the page, do you see your name or Wendy Maybury listed resigned 20 January, 2012?---I do.

And that would accord with your recollection of around the time that you – after the meeting on 27 – or discussion on 27 January you resigned within a few days?---Yes.

20 Now, did you make any public complaints in the media about what had happened?---No.

About the Board meetings?---No.

If I could ask you to turn to page 301. You see this has a heading and it purports to be a meeting of a number of entities and organisations on 24 June, 2013?---Yes.

So some 18 months after your resignation?---Yes.

30 See that. And if I could ask you to go down to about point 8 on the page where it says motion 2.---Yes.

And just read that to yourself.---Yes.

And I think you can take that it's not meant to be 30 years. I think it's meant to be three and then (3).---He might have wished it was 30 years.

He might have wished it was 30 years indeed. Now, that refers to you obviously?---Yeah.

40 Have you seen this before, were you aware of this motion?---No, I wasn't.

And are you aware whether that motion ever went before a members' meeting?---I am aware that there was an agenda sent out to members of the Local Land Councils stating that that resolution was going to be an agenda item for the Local Land Council.

And what was your understanding, if you have any, of what occasioned this some 18 months after you had resigned from the Board?---Obviously

Mr Johnson wanted to make sure that I was no longer a part of the Local Land Council.

And had you been attending members' meetings after your resignation from the Board?---Yes, I had.

And had you been speaking up at those meetings, by that I mean had you been raising governance issues during the course of those meetings?---Not that I recall.

10

But you had been in attendance?---Yes, I had.

And if there was a discussion you may have contributed to it?---I may have, yes.

But did anyone ever identify to you what was meant to be some form of misconduct that would warrant a suspension for three years?---Not at that time, no.

20

And was there a time when that did occur?---Oh, sorry. Sorry. I have to take you back. I just remembered a telephone call. I made a call to Mr Johnson and asked why he had sent out a letter to, to have me suspended.

Ah hmm.---And, and I said to him, "I hope you've got evidence to back up what you're actually saying because this is slanderous," you know, and he said that he had the evidence to suspend me and I said, "I certainly hope so," and I hung up.

30

So he didn't tell you what he said that evidence was?---Not that I recall.

Or what facts, circumstances underpinned it?---Not that I recall.

So you were none the wiser after the phone call?---No.

And as far as you know, was the motion ever put to a members' meeting? ---No, it was recalled.

40

And do you understand how that occurred?---Yes.

What happened?---I rang the Minister of Aboriginal Affairs.

And what happened then?---I spoke to the Minister about what was happening.

And complained about it?---And complained about it. And the Minister said that he would deal with it.

And that was the last you ever heard of it?---That's correct.

So, as far as you know, the Minister then intervened and something happened?---That's correct.

And it was never put to a meeting?---No.

Now, could the witness be shown volume 1, please? And this is page 258. Sorry. You see the diagram on the left-hand side of the page?---I do.

10

Had you seen that diagram, the one on the very far left?---Yes, I did.

And was that shown to you when you became a Board member?---No, it wasn't.

And when did you see it?---When Mr Lombe, the administrator, was at Gandangara.

So that was two years or so later?---That's correct.

20

So when you were elected to the Board, was it your understanding that you were being elected to one position on one Board?---My understanding that I was voted in as a Board member of Gandangara Local Aboriginal Land Council, ma'am.

And no others?---No other.

Thank you. And did you understand that you would receive sitting fees for being a Board member?---No, I didn't receive any sitting fees for being a Board member.

30

Was there ever any discussion, at the few meetings that you attended, that suggested that Board members received a sitting fee?---Not that I recall.

And was there an induction training process internal to Gandangara when you were elected as a new Board member? Did someone sit down with you and say, "This is what you do, this is where things are and this is what you get"?---No.

40

You've talked about the external training at Wollongong. I'm just wondering whether there was an initiation process, so to speak, for the newbies on the Board.---No, there wasn't.

So that they could be told how internal processes worked, how you could make travel claims, et cetera. Nothing like that happened?---No, it wasn't.

And you say you didn't receive any sitting fees?---That's correct. I did not.

Did you receive any reimbursement? And I'm not being critical. I'm just trying to explore with you what you received. Did you receive any reimbursement for expenses?---No, I have not.

For, like, travel expenses to get to the meeting?---No.

And when you went to the training in Wollongong, that was paid for?
---That's correct.

10

You didn't pay for that.---No.

And it was over several days. Did you stay at the Novotel?---Yes, we did.

And that was paid for as well?---That's correct.

You didn't have to cover that cost?---No.

And to travel there, did some of you travel together?---No.

20

But you didn't claim any reimbursement?---No.

Have you ever received any wages from the Land Council?---No, I haven't.

Any payments at all?---No, I haven't.

Any loans?---No.

30

And has any members of your family ever been employed by the Land Council?---Yes, they have.

And when was that?---My son had been employed at the Land Council. I can't honestly tell you the time, but it wasn't very long.

But before your short stint, shall we say, on the Board?---That's correct, yes.

And he wasn't employed at the time you were elected to the Board?---No, he wasn't.

40

I have nothing further, thank you.---Thank you.

THE COMMISSIONER: Thank you. Yes, Mr Stewart.

MR STEWART: Yes, thank you, Commissioner. Ms Maybury, my name is Stewart and I'm the solicitor appearing on behalf of Ms Cronan. In relation to the evidence you just gave then in relation to your knowledge of whether you were just on the Board or whether you were on the companies,

you said it was your understanding that you were only on the Board of the Council that was all?---That's correct.

Were you informed at the first meeting in December, on 10 December, 2012 that there were all these other subsidiary companies that you were on as well?---I don't believe was on those subsidiary companies.

10 Right. So if I suggested to you there was a discussion at that meeting concerning the fact that were automatically a member of those companies, you'd disagree with that, would you?---No. You are correct.

I am correct?---Yes.

So that was discussed at that meeting on 10 December?---That's right, yes.

Sorry, 10 October. So at that time that's when you first became aware that there were other companies associated apart from the one you were elected to?---That's correct, yes.

20 MR HENRY: Could I just ask my friend to clarify, I think he said 10 October, 2012 and it may be that he means '11, I'm not sure?

MR STEWART: Oh, sorry, I do apologise.

THE COMMISSIONER: 2011.

MR STEWART: 2011, October, 2011. So that date you became aware that you were on those other companies as well?---No, I wasn't on the other companies as well.

30 THE COMMISSIONER: Mr Stewart, I think there might be a distinction.

MR STEWART: Yes.

THE COMMISSIONER: What was put to the witness was that it was discussed at that meeting.

40 MR STEWART: It was discussed at the meeting, correct. Was there a discussion that you were on these other companies or not at this first meeting in October, 2011?---Yes, there was and I objected to that, you know, to what I was told that I was going to be on these other Boards. I objected to that and I said that I was voted in as a Board member of Gandangara Local Aboriginal Land Council not to any of the other organisations.

So you never signed any documents accepting - - -?---No, I never.

Thank you. Okay. In relation to – so you only attended four Board meetings over this period of time that you were on. The first one being on 10 October, 2011 then one on 12 December, 2011 and then we move forward to the two meetings in 2012. You said in your evidence earlier that
- - -

10 MR HENRY: I'm sorry to interrupt, but my recollection of the evidence is that Ms Morgan says she attended the 20 January, 2012 meeting but she didn't attend the second one.

THE COMMISSIONER: Attend the second one, yes.

MR STEWART: Sorry, correct. So in relation to the meeting on 20 January, 2012, you attended that meeting?---Yes, I did.

And that's the meeting where you'd been contacted by Ms Cronan previously to the meeting, she rang you?---That's correct.

20 And I think you said in your evidence that she'd asked you not to say anything to either Jack or Tina, she wanted to keep it quiet?---That was after, when I got into the meeting I'd already, when I got into the meeting I said "I rang up", and she said "Oh, and you shouldn't have done that".

Right. Okay. And is it correct that the – there are no meetings, there was no meetings over the end of December into early January, because that's a period where the Councils normally close down for three weeks for Christmas holiday and New Year's holidays, there's no staff around?---I wasn't aware of the close down period, no.

30 Okay. Well I suggest to you that it was closed during that time?---Okay.

And Ms Cronan organised the meeting as soon as she possibly could which was 20 January, 2012?---Okay.

Okay. If you could be shown volume 9 - - -?---No, excuse me, sir. Are you implying that when I made the telephone call that nobody from the office answered the phone?

40 No, no, I'm not suggesting anyone didn't answer but - - -?---Okay, thank you.

- - - there were periods of time when it was closed between Christmas and New Year into the New Year it was closed?---Ah hmm.

And you – do you have any recollection when you were in the office in relation to the meeting on the 20th?---It was either the day I got the notification – it would've been the day that I got the notification.

Right. And was that just before the meeting or some days before or you can't recall?---Yeah. Just before the meeting.

Just before?---Because it was sent out with short notice for an extraordinary meeting.

And obviously as you've said earlier, Mr Johnson wasn't invited to that meeting?---That's correct.

10 And I think you also said that Ms Cronan took the minutes?---That's correct.

Did she actually run the meeting as well?---Yes, she did.

And there were a number of motions on the agenda for 20 January, weren't there?---That's correct.

If we could be taken to volume 9. Do you still have volume 9 in front of you?---Yes, I do.

20 If you could turn to page 190.---Page 190 did you say?

190, yes. Do you see motion 12 there?---Yes, I do.

And that was a motion that was put on to employ John Mero as a consultant to investigate on corporation side of Gandangara group and the allegations contained in the DLALC complaint. Was Mr Mero in attendance at that meeting on the 20th?---No, he was not.

30 Subsequently on 27 January did he attend – or you didn't attend the meeting on 27 January did you?---Not that I recall.

Are you aware that Mr Mero completed a report in relation to the allegations contained or made against Mr Johnson?---Yes, I am.

Did you see a copy of that report from Mr Mero?---No. I was telephoned to actually come in and speak to Mr Mero.

Right. Did you attend to speak to Mr Mero?---I did.

40 Did you go in person and speak to Mr Mero?---I did.

Okay. And did he tell you the contents of his report at that time?---Yes, and I asked him was he aware of the New South Wales Aboriginal Land Rights Act and he then told – he then threatened me with a legal suit saying that I was discriminating against him. I then got up and walked out of the meeting.

Okay. Is it fair to say that Mr Mero stated to you that he thought Mr Johnson should be reinstated?---From what I recall before I asked Mr Mero about the – his knowledge of the Land Rights Act he was stating that from his findings as long as Mr Johnson stated that he had a conflict of interest that everything was kosher.

And at that time you walked out from Mr Mero, you didn't like what he told you?---I walked out when I asked him did he know anything about the New South Wales Aboriginal Land Rights Act.

10

Ah hmm.---And he then threatened a law suit against me saying that I was discriminating against him.

Okay. And you didn't attend the meeting on the 27th?---Not that I recall.

You were given notification of it?---I was telephoned. I didn't go in physically to the meeting. I was telephoned and informed that the Board had made a decision to reinstate Mr Johnson.

20

And the Board had based their decision on the report that had been provided by Mr Mero?---I don't know what they made the decision on, sir.

You didn't – they didn't tell you that they had made that decision on the fact that Mr Mero had supplied a report to the Board?---No, sir.

And you weren't at the meeting so you don't know?---That's correct.

How long were you on the phone for for this meeting?---A matter of minutes.

30

So you didn't stay for the – but have you at the start of the meeting – did you ring in at the start of the meeting?---No. I was, I was contacted by Ms Cronan. I didn't ring in.

Okay. And did you listen to the whole of the meeting or did you exit before – after you had had a discussion with Ms Cronan?---I exited when I had the discussion with Ms Cronan.

40

And was that before the Board meeting started or after the Board meeting?
---I couldn't tell you, sir.

You don't know?---I was in my car and I don't know where the other people were.

And did Ms Cronan inform you that the Board intended on reinstating Mr Johnson at that time?---Yes, she did.

And then that was the end of the conversation?---Yeah.

Thank you. Thank you, Commissioner. Nothing further.

THE COMMISSIONER: Thank you, Mr Stewart. Anyone else has any questions?

MR DOCKER: I do, Commissioner.

THE COMMISSIONER: Yes, Mr Docker.

10 MR DOCKER: Could – I'm sorry, Ms Morgan, my name is Sean Docker. I appear for Mr Johnson. Could Ms Morgan please be shown volumes 10 and 18 please.---I have both documents now.

Well, could you just please go to number 10 first and to page 92? This is the minutes of the first Board meeting that you attended as a Board member. And is it the case that you were elected at an AGM of all the members shortly before that?---Yes.

20 Was it the same day or earlier than that?---Well, that was our first Board meeting. It was at the AGM.

I'm sorry, my question probably wasn't very clear. Was the AGM the same day as the first Board meeting?---No.

It was some period before?---The AGM was some period before the Board meeting, that's correct.

A matter of how long? Are you able to say?---I can't recall.

30 Right. And you gave some evidence earlier that you hadn't attended members' meetings until 2011. Was the AGM the first members' meeting that you'd attended for some time?---Yes, it was.

Right. If I could just ask you to turn now to volume 18 and page 210.---I'm there.

40 You can see that this is a copy of the Gandangara Land Council's community, land and business plan from 2008 to 2011. Were you aware of the existence of this document when you got on the Board in 2011?---Not that I'm aware.

Right.---I don't think so.

And just coming back to the first meeting that you attended as a Board member on 10 October, 2011, and in answer to some questions a moment ago, you said that there was discussion about other entities in the GLALC group. In the course of those discussions, did anyone tell you that

Gandangara Land Council had set up other entities pursuant to its community, land and business plan?---No.

Were you even aware of the existence of a community, land and business plan at that time?---I knew that a local Land Council had to have a community, land and business plan, yes.

10 Right. But you didn't know that the community, land and business plan provided for setting up corporate entities to carry out certain functions through special purpose vehicles?---No, I didn't.

Right. And no-one mentioned that to you at that first meeting?---No.

Did anyone mention that to you in your time at the Board?---Not that I can recall.

20 Have you ever read this document, the community, land and business plan? ---I would have to go to it to have a look and see if I have. Do you want me to read through it and see if I have?

Not really.---Because it doesn't flash up in my head to say that I, you know, that I really recall reading that.

Right. Well, no, I won't ask you to sit there and read it. It's quite lengthy. ---Is it?

30 The – at the meeting – coming back to the meeting on 10 October, 2011 you – there's an election there at the start of the meeting and you can see there that you were nominated for Chair and declined the nomination but you were also nominated for Deputy Chair and accepted the nomination. Is there any reason for that, why you declined the Chair nomination?---I don't remember declining the Chair nomination. I remember that there was an election and it was, you know, whether we wanted to have a secret ballot or we were going to have a show of hands. So I don't recall declining it. I just know that there was two options that was put up.

40 All right. Now, if I could just ask you to turn to – keep going down to motion 1. You can see there that there is a declaration there by Mr Johnson of his position as director of Waawidji Pty Limited. Can you see that? ---Yes, I can see this.

Now, do you recall that being made at the meeting?---I don't recall.

I suggest to you that Mr Johnson put that up on the overhead projector on the screen.---I don't recall that.

I suggest to you that at least by that stage, that is, the stage of – during that first Board meeting you were aware of the existence of Waawidji Pty Limited. Is that right?---No.

Well, when do you say you first became aware of the existence of Waawidji Pty Limited?---If Mr Johnson's stated that at the meeting it's probably then is when I've been aware of it.

10 All right. And you were aware weren't you that he was a director of Waawidji Pty Limited?---No.

If he'd said so you accept that you would have been aware at that stage?
---That's correct, yeah.

Were you aware in the time that you were on the Board that Waawidji Pty Limited had a contract with Gandangara Management Services Limited?---I don't recall. I, yeah, I don't recall that, no.

20 Were you aware of an arrangement in respect of Mr Johnson's salary that he would be partially paid by Gandangara Land Council and that the other part of his salary would be paid by GMS to Waawidji Pty Limited?---I don't recall but if I did recall I certainly would have made an objection to the floor and I would have referred the Board members back to our Land Rights Act.

What part of the Land Rights Act would you have referred - - -?---The section 70 – sorry, it was the – in the folder 9, 76B or something.

78B.---That's it, 78B and - - -

30 So – I'm sorry, you were talking.---That's all right. No, no, go ahead.

Are you – have you finished?---Yeah.

Yeah. So you were aware of that section when you went onto the Board in October, 2011?---Yes.

40 And what was your understanding of the effect of section 78B?---Well, I couldn't say I had a knowledge of a specific section in each of the Land – like in each of the subheadings of the Land Rights Act but I was also – I was aware that if you were on the Board of the Local Land Council you could not receive any money from the Local Land Council and that there was – like I went to the Act – I, I ordered the Act off the Internet and I went through parts of it and highlighted parts of it and tagged the page and checked out some of the, the Act so I was – I knew what was going on at the table in relation to some of the motions that were being put to the floor.

But the example you just gave was in relation to the Board.---Ah hmm.

It wasn't your understanding, was it, that Mr Johnson was on the Board?
---No.

And so what was it in relation to the CEO that would have concerned you about a contract between Gandangara Management Services and Waawidji?---Well, that they were both, you know, receiving the money to pay the company, that Mr Johnson was either owner of or part owner of, from the money from Gandangara that we got from selling land. That's not right is it, sir?

10

Sorry, it's not for me to answer the questions, Ms Morgan. But if Mr Johnson's salary was broken up partly by payments from Gandangara Land Council to him, and partly by payments from Gandangara Management Services to Waawidji, how, in your mind, did that create a problem?

THE COMMISSIONER: I think she's already answered that question. Her answer was that the money coming from GMS was ultimately coming from GLALC.

20 MR DOCKER: All right. Well, accepting that that's - - -

THE COMMISSIONER: I'm sorry. I just wanted to make sure. Ms Morgan, is that correct?---That's correct.

Your view was that ultimately it came from GLALC?---That's correct.

30 MR DOCKER: Yes, but, Ms Morgan, if it had been accepted by the Board that Mr Johnson was entitled, for example, to \$180,000 salary, and part of it was paid by the Land Council to him and part of it was paid by Gandangara Management Services to Waawidji, how would that have created a problem in your mind?---Well, sir, if I wasn't on the Board when that decision was made - - -

I'm not suggesting you was. I'm just asking you - - - ---No. But I'm giving you an answer to – you asked me the question, is that correct?

Yeah.---How does that affect me?

40 What problem did you see with that arrangement?---Yeah, what problem I seen with that arrangement. Well, the problem that I could see with that arrangement is that I'm not quite sure how that would actually work. But I didn't know what Mr Johnson's contract was. I never seen it. I was only on the Board for a small period of time, so I never seen the contract.

Right. Now, in answer to some questions before lunch, you gave some evidence that you made a statement at a Board meeting whether there had been any misappropriation. Do you recall giving that evidence?---Yes.

And do you say that you made that statement at the first meeting?---Yeah.

And did you have any reason to believe, at that stage, that there had been misappropriation?---Yes, I think also in my evidence that I gave, members from the Land Council that I'd met after I retired were coming up and expressing concern about what was actually going on in the Land Council at that particular time. So I was just making a statement before it all started.

10 But is it fair to you to say that you didn't have any evidence of any misappropriation at that point?---Not at that particular time, no, sir.

But is it fair to say that you came to the Board looking for signs of misappropriation?---No, I came to the Board to do my duty as a Board member of the Local Aboriginal Land Council.

20 Did you have any particular view of Mr Johnson when you came to the Board in October, 2011?---Yeah, I did. I thought Mr Johnson had the gift of the gab and I thought that his home ownership program was a little bit farfetched. I met with him as an employee of the Commonwealth Government and he was talking to Mr Leon Donovan and I at a meeting about establishing a home ownership program and how he was going to implement it at Gandangara. So I just thought that you know it was a bit farfetched.

Is that it?---And I guess I had a concern that so many people in the community were not happy with his, his attitude to some of them, yes.

30 But you were also aware that there were many people in the community who were very happy with the what he was doing as well?---Oh, yeah.

And what about yourself, what was your view?---I didn't take a view and that's why I like I accepted the position on the Board so I could actually find out what was going on.

All right. Could we just – I'm sorry, before I turn to that. You gave some evidence earlier that your son worked for the Land Council for a short time. Is that your son Bradley?---That's correct, yeah.

40 And are you able to say why he left?---Am I able to say why he left?
Yes?---Because he was sacked.

And who sacked him?---Mr Johnson.

And did you blame Mr Johnson for that?---Oh, wait a minute. I did say to Mr Johnson because Mr Johnson was referring to Brad as being an alcoholic and I told him that I didn't think that the information that he had actually provided to Brad was within his duties as a CEO, because he'd sacked Brad

and he sent Brad some emails, I don't know. I can't recall at the moment. There was just all a bit of an issue going on.

So is fair to say that your position was that it was, that Mr Johnson had acted unfairly towards your son in sacking him?---I don't know the circumstances as to why he was sacked.

No, I'm asking you what you thought?---What my thoughts were, I guess I was kind of glad that Brad wasn't working there.

10

Is it fair to say that you were upset with Mr Johnson about this incident?--- No. I was upset with Mr Johnson about the information that he provided to Brad about, well his reference to Brad about being an alcoholic and he should attend the AA meetings and if he wanted Mr Johnson to go along with him he would do it.

And did you remain upset with Mr Johnson by the time you got onto the Board in 2011?---No, that was all forgotten.

20 Could you turn please Ms Morgan to page 97 of volume 10?---I'm there.

You can see that this is the minutes of 12 December, 2011 meeting which is the second meeting you attended?---That's correct.

That's right. And you can see that this according to the minutes the meeting opened at 6.44pm and if you go over the page the meeting closed at 9.10pm. Do you see that?---Yes.

30 And that is the meeting went for about well nearly two and half-hours. Is that in accord with your recollection?---I don't recall.

I want to suggest to you that the members of the Board were given plenty of time to look at the minutes of the previous meeting and consider whether they were accurate. What do you say to that?---I say, sir, that you weren't there to see what – the folders put on the table before we got there so how did we have time to go through the minutes prior to, to the – to accepting the minutes of the prior meeting.

40 What I'm suggesting to you, Ms Morgan, is that you were given time during the meeting to consider the draft minutes of the meeting before, before motion 2 was voted on.---I don't recall.

And you're recorded there as either abstaining or rejecting the minutes from the previous meeting as accurate. You recall doing that don't you?---It reads that I abstained and rejected the minutes as accurate.

Yes. I'm just saying do you – you recall doing that don't you?---I know that I abstained, yes.

So would you say it's not correct to say that you rejected the minutes as accurate?---I wouldn't say it was or I wouldn't say it wasn't. Maybe I did at that time. I don't recall, sir.

Right. And I want to suggest to you that Mr Johnson didn't say anything to you along the lines that you weren't entitled to say that the minutes weren't accurate. What do you say about that?---I say you're incorrect, sir.

10 Now, if I could just come forward to the next meeting of 20 January, 2012 which is – the minutes of which are on page 99.---I'm there.

Now, you've been asked about this meeting being called urgently but it's not entirely clear to me exactly how long before the meeting occurred that you were notified of the proposed meeting. Are you able to - - -?---Yeah, I'm confused there too, sir. I don't know what time before it we were notified of the meeting either.

20 Right. Okay. So you couldn't say whether it was the day of the meeting or some earlier time?---I can only tell you that it was within a short period of time. There wasn't like – it wasn't a planned meeting, no, so it was like – it could have been the day before or that particular day. I can't recall.

Right. So we're talking a matter of a day or so, not three to five days, something like that?---No.

Is that – would that be your best recollection?---That'd be what I could recall, yes.

30 Right. And you can – so the – you'd accept that the meeting was called urgently?---Yes.

And the – if you go down to just above motion 1. It says, "This issue has been ongoing since 2009." Now, do you have a recollection of what is being referred to there?---I don't recall.

40 Right. And what about, "There is concern among the Board that this is more widespread dealings through other Local Aboriginal Land Councils." Are you aware what that's referring to?---No, I don't.

Right. Now, I won't take you through these minutes because you already have been but you would accept wouldn't you that the – that you were in support of Mr Johnson being suspended as CEO until an investigation occurred into the allegations?---That's correct, yeah.

And the thing that had triggered the meeting was a letter from Deerubbin Land Council about Mr Johnson?---That's correct.

And they were the allegations that needed to be investigated?---Can you ask me that question again? I'm not quite sure.

Sure.---Are you saying that what we were asking to get investigated is those questions from Deerubbin only?

Well, that's basically what I'm asking you, yes.---No, from my recollection, it wasn't only the Deerubbin incident that the Board was asking for an investigation of Gandangara. We were asking for an interview of what's
10 transpired in the last six years.

THE COMMISSIONER: Was this in relation to the possibility that you adverted to before, that you didn't know who was being paid as contractors?---That's correct, yes.

MR DOCKER: All right, well, if I could just take you, then, to page 101 and motion 12. There's a motion there which you said earlier you don't recall. That's right? Is that correct?---Yes.

20 And what it says is that there's to be an investigation by Mr Mero. Now, just stopping there, you knew Mr Mero at that stage, didn't you?---Only as, you know, I met him for the two days when I was down at Wollongong.

Yeah, so he's the person who provided the training at Wollongong.---That's correct.

Right. The training on the corporate responsibilities of directors?---That's correct.

30 Right. And so you would have considered him, wouldn't you, an appropriate person to carry out an investigation?---No, sir.

Well, he was certainly qualified, wasn't he?---Qualified in the Corporations Act but not qualified in the New South Wales Aboriginal Land Rights Act.

Right. And if you look at the resolution there, it refers to an investigation as to the corporations side of Gandangara Group. What do you understand that to mean as you sit here today?---I understand that that's talking about the corporation specifically, but I don't recall that motion being only specific
40 about the corporations.

Well, it also includes the allegations contained in the Deerubbin Land Council complaint. Do you recall the investigation was to include that? ---That's what it says here, sir, yes on the paper.

But is that your recollection, that the investigation was to include that? ---The recollection, from what I recall, that the Board actually put to the floor that day, was to do an investigation of the administration of

Gandangara Local Land Council over the past six years. It wasn't specifically to get Mr Mero to investigate the corporations which were run by Gandangara Local Aboriginal Land Council.

But would you agree that the two matters that are contained in motion 12 were included in the investigation as you understood it?---Can you repeat that, please?

10 Do you agree that the investigation, as far as you were concerned, was to include the two matters that are set out in motion 12 there?---Those two matters and others.

Now could volume 18 be returned and volume 22 be provided to Ms Morgan, please. If 10 could be left there. Now Ms Morgan, could you please turn to page 228 of volume 22?---I haven't got 22 just yet.

Oh, I'm sorry?---I'm there now.

20 Ms Morgan this is a copy of Mr Mero's report on his investigation. Do you recall ever seeing this report?---No, I don't.

When you say you didn't think Mr Mero was qualified to give a report in relation or to investigate into the Aboriginal Land Rights Act, what qualification would he have needed to be able to do that?---I don't know. That's why I asked him.

Right. Now if I could just ask you to turn to page 229 and just down at heading with the number 3 next to it. Do you see that about nearly towards the bottom of the page?---I do.

30 And the second sentence of the first paragraph under that says "The allegation was that the CEO may have inappropriately used funds from GLALC to enable DLALC to pay his private company Waawidji Pty Ltd for consulting work by organising a loan from GLALC to DLALC". Now is that an accurate summary to your recollection of the complaint by Deerubbin Land Council that was brought to the January, 2012 meeting?---Yes.

40 And were you aware that Mr Mero as part of his investigation had interviewed Mr Johnson and Shalesh Gundar, the Financial Controller of the Land Council on 25 January, 2012?---No, I wasn't aware.

All right. And so you were aware though, weren't you, by the time of – withdraw that. I just want to take you forward now to 27 January, 2012. when Ms Cronan rang you about having another urgent meeting with the Board. Do you recall that?---Ah hmm.

Do you accept that it was on 27 that that - - -?---I can't recall, to be honest.

Right. So it's a similar thing, it may have been a day before or it may have been the day?---That's correct, yes.

Is that right?---That's right.

Right. And is it the case that you hung up on that call?---Yes.

10 And I think you said you hung up on the call because you were angry, is that right?---I possibly was, yeah.

And that you were angry because she told you that the proposal was to reinstate Mr Johnson?---That's correct.

Right. And, and you - - -?---Without a proper, without a proper investigation as far as I see it.

20 Right. Now, if you could just come back to page 229 and you can see at the top of the page under 1 Findings that Mr Mero concluded that Mr Johnson – sorry, the allegations that Mr Johnson used Gandangara Land Council resources to derive a financial gain for his company Waawidji Pty Limited are not substantiated. If you'd received a report to that effect would that have – after his investigation would that have satisfied you?

THE COMMISSIONER: Mr Docker, I don't think that assists me at all. You're asking this witness on a hypothetical if she saw this would she have changed her behaviour which was – which was not informed by the fact that she ever saw the report. I just don't know that that helps me.

30 MR DOCKER: As the Commissioner pleases. If I could just ask you one other question about this, Ms Morgan. If you could turn to page 251. You can see here that there's a letter from Waawidji Pty Limited to Mr Cavanagh, the CEO of Deerubbin Land Council, dated some day in December, 2009. Do you see that?---Yes, I do.

Do you recall seeing that letter at the time of the meeting of 20 January, 2012?---I do.

40 And does that assist your memory at all whether in respect to the comment in the minutes that said this goes back to 2009, was that the, the matter that was being referred to to your recollection?---I don't recall.

And just so there's no misunderstanding about this, do you say that there was no conversation between you and – sorry, I withdraw that. In the conversation between you and Ms Cronan about the – before the 27 January meeting that there was no talk about findings of an investigation by Mr Mero?---I'm sorry, can you repeat that.

I just wanted to clarify with you, in the conversation with you – between you and Ms Cronan before the 27 January meeting, that is, the meeting he got reinstated, was there any – did she tell you about the – any findings or preliminary findings of an investigation by Mr Mero into Mr Johnson?
---No.

Right.---Not that I recall. So what did you mean I've been reinstated, what was your, what was - - -

10 I'm sorry?---Did you say when I got reinstated?

No, at the meeting he got reinstated.---Oh, okay. Sorry. I misunderstood you.

And is it your recollection that the complaint by Deerubbin Land Council that was a complaint that went to this Commission, that is, the Independent Commission Against Corruption?---(No Audible Reply)

20 THE COMMISSIONER: I'm sorry, what was that question again?

MR DOCKER: The question was are you aware – sorry. Is it your understanding that the complaint that was the subject of the meeting on 20 January, 2012, that is, the complaint by Deerubbin Land Council about Mr Johnson and Waawidji, was a complaint that was made to the Independent Commission Against Corruption?---Can you ask that question again, sorry.

I'll try.

30 THE COMMISSIONER: I think he's asking whether you knew that what Deerubbin was complaining about had also been the subject of a complaint to the Commission.---Yes, I was, yeah.

MR DOCKER: And are you aware that on 13 June, 2012, the Commission wrote to the chairperson of Gandangara Land Council and said that the investigation into that matter had been discontinued?---Could you give me the date to that again?

40 13 June, 2012.---Not aware. I don't recall.

Well, I could show you this letter. This has been provided to Counsel Assisting, Commissioner, earlier in the day. You see that's a letter from the Independent Commission Against Corruption to Ms Cronan as chairperson of Gandangara Land Council?---Yes, I do.

Dated 13 June, 2012.---Yes.

Have you seen that letter?---No, sir.

Are you aware of it?---No, sir.

Not before today?---Not before today. It's the first time I've seen it.

Ms Morgan, before lunch, did you say that Mr Johnson told you that the New South Wales Aboriginal Land Council wanted to employ him?---Yes.

10 I suggest to you that that's just not right. He didn't say that.---Sorry, well, that's what I heard. That's what he said to me.

That would have struck you as extremely strange at the time.---It did. It did.

So it's possible that you misheard it?---I don't think so.

Well, this was 2012, wasn't it?---Yeah. And, you know, things like that kind of hit your memory bank and they kind of stay there, and I recall that being said.

20 And you knew, as of 2012, that the relations between Mr Johnson and the New South Wales Land Council were not particularly good?---That's correct, yes.

So it would have come as a complete surprise to you that they wanted to employ him.---Yeah.

So it's possible, isn't it, that he didn't say that and that you misheard him? ---No, it's possible that he did say that.

30 Now, you gave some evidence earlier that you rang Mr Johnson about a proposed suspension of you as a Land Council member in 2013.---Yes.

I suggest to you that you didn't find him intimidating, and that if you were you wouldn't have made that call. What do you say about that?---I did find Jack very intimidating at the meeting that I was talking about, when I didn't, I didn't support the prior minutes.

Right.---But I rang him because I know with the phone, like, I mean, it's a different situation.

40

Yes, but in relation to the minutes at that meeting in December 2011, you maintained your position in relation to the minutes, didn't you?---Yes, but I never spoke up about any other minute. I agreed with everything else, didn't I?

Well, it's true, isn't it, that after that meeting in December 2011 you never attended another Board meeting with Mr Johnson there? That's true, isn't it?---No. I can't recall.

So I suggest to you that you didn't find him intimidating in the meeting, what do you say to that?---I'm sorry, you may suggest it but I did find him intimidating, I'm sorry. You may not believe it but that's, that's your opinion, sir.

Thank you, Ms Morgan. They're my questions, Commissioner.

10 THE COMMISSIONER: Does anyone else have any questions, anything arising, Mr Henry?

MR HENRY: There are two matters that have arisen as a consequence of Mr Docker's questions.

THE COMMISSIONER: Yes.

20 MR HENRY: One is just to clarify something. Ms Morgan, Mr Docker asked you a questions about Mr Mero's report and the timing at which you saw it. And in his question he said, he referred to a meeting at which you were reinstated. Do you recall that?---No.

And then you said you misunderstood?---No.

I just want to clarify this. I think what he what he was attempting to say was this. You received the phone call from Ms Cronan prior to 27 January Board meeting which you didn't attend and at which there was a decision to revoke Mr Johnson's suspension. Do you recall that?---No, so that's why I was trying – I wasn't at that meeting.

30 No, no?---I was in my car and I got a telephone call.

Yes. So you got a telephone call, you weren't at the meeting?---That's correct.

And the question I think is whether or not at the time you received that telephone call you were aware of the contents of Mr Mero's report?---No, sorry, I don't recall.

40 You don't recall whether you were or were not aware?---No, I didn't, I didn't see the report from Mr Mero.

Right. You didn't see a report from Mr Mero. Did Ms Cronan or anyone else tell you about what it said?---No.

Right. The second issue is you were taken to volume 10, do you still have that volume at page 92?---I've got the volume.

All right. Thank you. If you could turn up page 92, please. You were asked a question by Mr Docker about motion 1 and a declaration that Mr Johnson holds the position of the Director of Waawidji and that Waawidji does not hold any role with GLALC as a consultant. Do you see that?---
Yes.

10 Now can I ask you – I'll provide you a copy of section 52D of the Aboriginal Land Rights Act. And you'll see that it says and we can have copies made if people need it. It says this relevantly at subsection 1. "A local Aboriginal Land Council must ensure that no part of the income or property of the Council is transferred directly or indirectly by way of dividend or bonus or otherwise by way of profit to members of the Council, Board members or any member of staff of or consultant to the Council". Now were you aware of section 52D of section 52D, not necessarily the number of the section, the substance of what I've just read to you when you were a Board member?---Yes, sir, I was.

20 And I take you to that section with a view to directing your attention back to motion 1 on page 92 and ask this question. At the time of the meeting of 10 October, 2011, was any mention made of section 52D of the Aboriginal Land Rights Act at the meeting?---No.

Did you understand why the declaration was being made in motion 1?---I wasn't clear.

Right. Was any explanation proffered by Mr Johnson?---No.

30 Or anyone else?---No.

Right. They're the things that I wanted to raise in reply.

THE COMMISSIONER: Thank you. Yes, thank you, Ms Morgan, you may step down, you're excused from the summons. You can go, thank you.

THE WITNESS EXCUSED

[3.34pm]

40 THE COMMISSIONER: Yes, Mr Henry.

MR HENRY: The next witness is Mr Thorne, Mr Dennis Thorne, and I call him.

THE COMMISSIONER: I think Mr Harris - - -

MR HENRY: Sorry, Commissioner, could I just - - -

THE COMMISSIONER: Yes.

MR HENRY: In relation to that document I just handed up could that be marked please.

THE COMMISSIONER: The letter?

MR HENRY: Yes.

10 THE COMMISSIONER: Yes. That's MFI2.

**#MFI 2 - LETTER FROM STEPHEN OSBORNE TO CINDERELLA
CRONAN DATED 13 JUNE 2012**

MR HENRY: Thank you.

20 THE COMMISSIONER: Yes, Mr Thorne, just take a seat. Mr Harris, I take it you've explained the effect of a section 38 order?

MR HARRIS: Yes, he does seek a 38 direction and he will swear for the purposes of giving his evidence.

THE COMMISSIONER: Thank you.

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

40 **PURSUANT TO SECTION 38 OF THE INDEPENDENT
COMMISSION AGAINST CORRUPTION ACT, I DECLARE THAT
ALL ANSWERS GIVEN BY THIS WITNESS AND ALL
DOCUMENTS AND THINGS PRODUCED BY THIS WITNESS
DURING THE COURSE OF THE WITNESS'S EVIDENCE AT THIS
PUBLIC INQUIRY ARE TO BE REGARDED AS HAVING BEEN
GIVEN OR PRODUCED ON OBJECTION AND THERE IS NO
NEED FOR THE WITNESS TO MAKE OBJECTION IN RESPECT
OF ANY PARTICULAR ANSWER GIVEN OR DOCUMENT OR
THING PRODUCED**

THE COMMISSIONER: Yes, can we have the witness sworn please.

MR HENRY: Mr Thorne, when did you become a director of GLALC?
---2012.

I'm sorry?---2012.

Do you recall when in 2012?---No, I don't recall the month, eh.

10

All right. Had you been a director of an Aboriginal Land Council prior to becoming a director of GLALC?---No.

Had you been a director of a company before becoming a director of GLALC?---No.

I'm sorry?---No, no.

20

All right. What as your work experience prior to becoming a director of GLALC?---I worked for a foster care agency.

Yes.---Yeah, yeah, and before that I was a youth worker.

Right. So for how long did you work for the foster care agency?---I've been working for them since 2010.

30

Right. And what did you – what did you do and what do you do - - -?---I recruit, I recruit Aboriginal foster carers to look after young people in need. Yeah, I recruit, train them and I do the assessment for carers and stuff like that too.

All right. So that was commencing 2010?---Yes, that led in 2010. I started at, at my workplace in 2010, yeah, but before I was the, before I was a recruitment officer I was a caseworker there, yeah, then I moved up to the recruitment officer.

All right. And what does a caseworker do?---They case manage the children that come into care.

40

Right.---We manage their files and all the day-to-day stuff and make sure their needs are met and things like that.

And in the work that you've just described were you responsible at all for a budget?---No, no.

Were you – did you have any experience in reading accounts?---No.

Did you have any understanding prior to becoming a director of GLALC of the Aboriginal Land Rights Act?---No.

Had you heard of it?---I probably heard of it but I had no idea, you know, what - - -

What it, what it was about?--- - - - what it was about. Yeah.

10 All right. Now, had you had any training as a – I withdraw that. Any training or instruction about the responsibilities of a director before becoming a director of GLALC?---No, no.

Now, once you became a director of GLALC did you receive any training or instruction about your responsibilities?---Yeah, I did some training up at Wollongong.

Right.---Yeah.

20 Was it just the one session?---It was two days in Wollongong.

Two days?---Yeah.

And that was the only training you received?---Yeah.

30 All right. Doing the best you can, what did you learn, what were the topics covered?---It was about governance and about budgets and things like that but, yeah, yeah, I don't recall too much. It was a little bit – coming from not having any background in that area then going to that training was a bit overwhelming at the start.

Right.---Yeah.

Did you understand the training that you received or not?---No, not really. It was a bit too much to take in to be honest.

All right. Now, did you receive any training at all from New South Wales Aboriginal Land Council?---No.

40 All right. Did you receive any instruction about the Aboriginal Land Rights Act in the course of your training?---No.

Have you been sitting in the hearing room when I've asked questions of other witnesses about contents of section 78B of that Act?---I was sitting in today.

All right.---Yeah.

I'll provide you with a copy and just ask you some questions about it. Now I've handed to you a print out, sir, of section 78B of the Aboriginal Land Rights Act. I rather understand from your answers so far that you may not have seen this before, is that true?---Yeah. I haven't seen this before.

All right. And have you read any legislation before?---No.

Sorry?---No.

10 All right. If you look at section 78B there's a number 1 in brackets can you see that?---Yeah.

It says "The following persons must not be or continue to be employed as the Chief Executive Officer of a Local Aboriginal Land Council. Do you see those words?---Yeah.

And then there's some subparagraphs. I ask you to direct your attention please to subparagraph E. Can you see subparagraph E on the page?---Sure do, yeah.

20

"A person who has an interest in or is an employee of or concerned in the management of a corporation that receives a benefit from the Council". Do you see that?---Yeah.

Now what I suggest to you is that a person who meets the description in subparagraph E?---Yeah.

30 Is not allowed to be under this legislation employed as the Chief Executive Officer of a Local Aboriginal Land Council. Do you understand that?--- Yeah, yeah.

All right. Now were you aware of that prohibition when you were a director of GLALC?---No. No.

Is this the first time you've become aware of that?---Yeah, yeah. Right now.

40 All right. And then if you have a look at the last page of the document, you'll see section 152 of the Aboriginal Land Rights Act, can you see that?-- -Yeah.

And it says "Each Local Aboriginal Land Council is to establish and authorise deposit taking institution and account, and that's called the Local Aboriginal Land Council's account". Do you see that?---Yeah.

And then have a look if you would please at subsection 3. It says "The following is to be paid from the Local Aboriginal Land Council's account, and then there's three things, A, B and C. Can you see that?---Yeah.

The first of them A is "Amounts required for the acquisition of land by the Council where that acquisition has been approved in accordance with this Act". Do you see that?---Yeah.

And secondly, B, "Amounts required to meet expenditure incurred by the Council and the execution of administration of this Act". Do you see that?--
-Yeah.

10 And then C, "Any other payments authorised by or under this or any other Act". Do you see that?---Yeah.

And what I suggest to you is that the only payments that maybe made out of a Local Aboriginal Land Council's bank account is for the three purposes there, A, B and C. Do you understand that?---Yeah.

Was that ever explained to you whilst you a Director of GLALC ---No.

20 And you didn't know that whilst you worked with GLALC?---No, I know now, reading it.

All right?---Yeah.

You can hand that document back thanks. Now I want to ask you some questions, Mr Thorne about the way in which Board meetings were conducted at GLALC and I'll do that if I may by reference to a particular set of minutes. If I could ask you to please be shown volume 10 at page 121. Now these are a set of minutes of GLALC and other companies dated 10 December, 2012. Do you see that at the top of the page of 121?---Yeah.

30 You'll see at the top of the page it says "Minutes of the GLALC, GDS, GMS, GTS, GHS and GFF and others"?---Yeah.

Now you became a director of GLALC during 2012, you said, correct?---
Yeah.

You'll see in the heading that I've just read out, there are references to other companies apart from GLALC?---Yeah.

40 Did you understand that you were a director of those other companies whilst you were a director of GLALC?---I can't really recall. I know when I signed up to be a Board member that was just for GLALC alone, Gandangara.

Right.---Yeah. But I can't recall, honestly, if I was a Board member of all of those.

All right. Did anyone ever ask you, "Would you like to be a Board member of these other companies?"---I can't recall a hundred per cent. I can

remember there was talk about it and things like that, but I can't really recall too much about it.

All right. You don't recall agreeing to being a director of any of those companies? That is, apart from GLALC?---Yeah, I can't remember, yeah.

All right. Now, you'll see that the minutes are recorded in such a way that there are motions.---Yeah.

10 And it has a motion, then it has moved, seconded and carried. Do you see that?---Yeah.

Is that how the meetings proceeded? That is, a motion was formulated?
---Yeah.

Who did that?---Who did the motion?

Yeah, for example, if you have a look at motion 2.---Yeah.

20 It says, "The Board moves that the October financial report, as presented, tabled and recommended by the FFC, be accepted." Do you see that?
---Yeah.

Now, that's motion 2. Who drafted those words for motion 2, as you recall it?---Can't say. Looking at it, it looks like the Board's moved it. You know, moved the motion, so - - -

30 THE COMMISSIONER: We're more concerned with how those motions were put together or constructed, so that there was a motion that was put to the Board. Somebody needed to suggest a wording.---Yeah.

But you can't remember? I mean, as a general proposition, you can't remember who used to do that?---Yeah, I don't know if we were sitting around the table and we all thought up, brainstormed together, and there was a motion and we thought we'll have to move it. I can't recall a hundred per cent.

40 MR HENRY: Does this assist you? Tell me if you agree with this. Mr Johnson was on a computer at the Board meeting and there was an overhead projector or overhead screen.---Yeah, yeah.

And he would type onto his computer the words in the motion and they'd appear on the screen.---Yeah, yeah.

Does that - - - ?---Yeah, that rings a bell, yeah.

That rings a bell?---Yeah, yeah, yeah.

And then, so if that occurred, the motion's on the screen, presumably there's discussion about it.---Yeah.

Is that right?---Yeah, yeah.

And then it says someone moved it. How did that happen?---Raise their hand, say, "I move the motion."

All right.---And then everyone votes on it and (not transcribable).

10

Someone moved it and someone seconded it?---Yeah, yeah.

All right. So someone moves it and someone seconds it, and then you referred a moment ago to a vote?---Yeah. I'm pretty sure we all had, like, someone seconded it and we all say in favour and we all put our hands up or decline, yeah.

So you're asked to, what, raise your hands if you voted in favour of it or not?---Yeah, just say whether you're in favour, yes or no, yeah.

20

All right.---Yeah.

And then it says carried. Do you see that on the minutes?---Yeah.

Did someone say whether or not a motion had carried or not?---I can't recall, eh, to be honest, yeah.

Do you recall a motion ever not carrying?---Not off the top of my head, no, I can't. Yeah. But at this meeting, it's got up there that I wasn't there. You know that?

30

Yeah, no, I appreciate this particular meeting says you're not present. ---Yeah.

But I'm just asking you generally about the procedure adopted at meetings. Do you understand?---Yeah, I understand, yeah.

What about Board papers? Were you provided with Board papers before the meeting?---Yeah, we used to get a folder.

40

Yeah?---A folder with all the information in it, yeah.

And did you ever receive papers for a Board meeting other than through the folder? For example, emailed them before a meeting or not?---Yeah, possibly, yeah.

Do you remember or not?---Look, I can't say a hundred per cent, eh. Yeah. Can't give a definite answer.

So you – sorry, go on.---I think maybe we did but, no, I can't remember.

Do you recall ever reading Board papers before the start of a meeting?---I didn't. I didn't read them, no.

Right. Were you given Board papers in sufficient time for you to read them before the start of a meeting?---I don't think so, no.

10 And was that because you turned up - - - ---It was only because of the - - -

Sorry?--- - - - quantity of the amount to read, yeah.

Sorry, say that again.---Because there was just too much stuff there to read and - - -

MR HARRIS: Quantity.---Yeah, the quantity, yeah.

20 MR HENRY: So when you say the quantity, what, what's your best recollection of what was contained in the Board papers that you were provided in your folder?---Oh, gee, it's been a long time since I've even thought about that folder, eh, to be honest. I know there was minutes and stuff in there. Yeah, I can't, I can't recall 100 per cent.

All right. Now, you draw attention to the fact that the minutes on page 121 note that you're not present.---Yeah.

You see over the page at page 122 - - -?---Yeah.

30 - - - there's a motion 4. Can you see that at the top of the page?---Yeah.

And it says, "The Board resolves the contract between GMS Limited and Waawidji Pty Limited be terminated by mutual consent retrospectively on 30 June, 2012 and immediately replaced by contracts commencing 1 July, 2012 between Waawidji Pty Limited and Marumali Limited, GHS Limited, GTS." Do you see all of that?---Yeah.

40 Now, did you know whilst you were a director of GLALC of a company called Waawidji Pty Limited?---I didn't know too much about it but I've heard the name.

Right. I know you may know now. I'm asking doing the best you can to recall what you knew - - ----Back, back then.

- - - back when you were a director - - ----Yeah.

- - - of GLALC.---Yeah.

Do you remember at that time being aware of a company called Waawidji Pty Limited?---Yeah, pretty much the same. I heard the name and I don't know too much about Waawidji or what they do or what, you know, what their organisation is and things like that.

Right. What was your understanding at the time at which you were a director of GLALC of what Waawidji did?---I didn't have any understanding. I don't know – I still don't know what they do.

10 All right.---Yeah.

Did you know who owned Waawidji?---I know now but back then I, I don't think I did.

All right.---Yeah.

And what do you know now?---I think Jack owns it, eh.

20 When you say Jack, Mr Johnson?---Yeah.

Yeah. So when you were a director of GLALC you didn't know that Mr Johnson - - -?---No.

- - - had an interest in Waawidji?---No, no.

Did you know that he was a director of Waawidji?---No, no.

30 All right. As far as you were concerned Waawidji was a separate thing to Mr Johnson?---Yeah, I just thought it was another – I thought it as an Aboriginal organisation somewhere else. I didn't know too much about it to be honest.

All right. So as far as you were concerned it wasn't Mr Johnson's company?---Yeah, I didn't know that.

All right.---Yeah.

40 Now, you'll see in motion 4 which I've taken you to there's reference to the Board resolving that a contract between GMS Limited and Waawidji be terminated and immediately replaced by three other contracts. Can you see that?---Yeah.

Now, you weren't present at the meeting but did you learn about that occurring after the meeting?---I can't, I can't recall learning about it, eh. To be honest with you when I, when I came onto the Board things, they just became a bit too much for me and I didn't really take too much in after a while so a lot of this stuff even you're telling me now is pretty new to me.

Right.---Yeah.

Okay. Well, at the time of this meeting, that is, December, 2012, were you aware that GMS had a contract with Waawidji?---I can't recall. I don't know.

Were you aware at the time of the meeting what Mr Johnson got paid for being the CEO of GLALC?---No.

10 Sorry?---No. No, I didn't know.

All right. And were you aware - - -?---I didn't, I didn't care really.

I'm sorry?---I didn't know, no.

Right.---Had no idea.

And were you aware who paid him?---Well, GLALC paid him, paid the CEO.

20

Right. That's what, presumably something you assumed?---Yeah.

All right. Were you aware that for work he did Waawidji received any payments?---No, I wasn't aware of that, no.

All right. You can hand back Mr Thorne, volume 10 and I'll ask for you to be provided with volume 1 and volume 5, please. Volume 1 at page 258. I'll ask you to have in regard to page 258, you should see there this is in volume 1, Mr Thorne, some diagrams. Can you see those?---Yeah.

30

Have you seen those diagrams before?---I think I might've seen them at, at a meeting but not a Board meeting just a members meeting.

I see?---Yeah. I can't recall exactly when or – I remember this looks a little bit familiar to me but I can't remember too much about it.

All right. Do you recall in January, 2014 there was an attempt to restructure the Gandangara Group of companies?---I know there's been some talk about restructure and that but I don't, again I don't know too much about that either, sorry.

40

All right. Do you remember – see the new structure that's referred to on the page?---Yeah.

Do you remember being shown a diagram about that in January, 2014?---I remember seeing that at a meeting but I can't remember if it was January, I can't remember exactly when it was.

All right. Do you remember what you were told about it?---No, I can't remember.

Do you remember who you told you, who addressed you on it at the meeting?---I can't remember a 100 per cent, hey, no.

10 All right. Do you now have any idea why there was a proposal to go from the original structure to the new structure?---I still don't have my head around it, hey, boy, why they changed from the original to the new one, I don't, I still don't, still don't understand it, to be honest.

All right. Do you have any idea why there was a proposal to do that?---No.

All right. If you go then please to volume 5 page 131. Do you have there, sir, a document that says at the top of the page "GLALC development services Limited circulating resolution directors pursuant to the constitution of a company"?---Yeah.

20 Is that your signature on the left-hand side of the page about three quarters of the way down?---Yeah.

Above the words Dennis Thorne?---Yeah.

Do you remember signing this document?---Not to the date, no. Not to - - -

All right. If you have a look at pages 131 through to 138 you'll see there's a number of circulating resolutions each has your signature on it?---Yeah.

30 Do you agree?---Yeah.

And they're dated 15 January, 2014. Do you see that?---Yeah.

Do you recall where you were when you signed these documents?---I can't recall a 100 per cent where I was at.

40 Do you remember why you signed them?---I remember why. Because this was all new to me and I really just went off the experience of the other Board members. I listened to what they were doing and I watched they were doing and if they were signing things and they thought it was the right thing to do I sort of just followed that because that's why I joined the Board to learn things and, yeah, I just, I just got caught up with it, and I just signed it, yeah.

Is this a fair summary of your position? In January, 2014, when you signed these documents you thought the other Board members were signing it so I should sign them too?---Yeah. I just thought if they were signing it and they want to do the right thing for our community I didn't have – to be honest, I

didn't have the insight to understand what I was signing and I just off the judgement of the others and if they were signing it so I signed it, yeah.

Did you read the documents before you signed them?---No.

You see they're called "Circulating resolution"?---Yeah.

Do you recall that this was the only time that you signed a circulating resolution?---I can't recall.

10

All right?---There's been other things that I've signed. I can't remember, I can't remember exactly what they were.

I gather as you sit here today you still don't know what the purpose of signing of these documents was, is that fair?---Yeah.

All right. Is that a convenient time, Commissioner?

THE COMMISSIONER: Thank you. We'll resume at 10.00am tomorrow.

20

**AT 4.00PM THE MATTER WAS ADJOURNED ACCORDINGLY
[4.00PM]**