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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 THURSDAY 26 MAY 2016

AT 2.07PM

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 1122) of the Independent Commission Against Corruption Act 1988.

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

MR HENRY: Ms Cronan, do you still have volume 11 with you?---No.

Could Ms Cronan please be provided with volume 11 at page 134.---Thank you.

10 And, Ms Cronan, this is the last of the four slides that was the subject of the presentation, or one of the presentations at the Board meeting in May, 2010, do you recall?---Yeah.

And there's four dot points on the slide.---Yeah.

And I've asked you some questions about the last dot point. Correct? ---Yeah.

20 Commissioner, I seek to have the suppression order made in respect of pages 138-140 of Ms Cronan's compulsory examination of 12 April, 2016 lifted.

THE COMMISSIONER: Yes. The suppression order in respect of the transcript of 12 April, 2016 from pages 138-140 is lifted to the extent necessary for the cross-examination. Thank you.

THE SUPPRESSION ORDER IN RESPECT OF THE TRANSCRIPT OF 12 APRIL, 2016 FROM PAGES 138-140 IS LIFTED TO THE EXTENT NECESSARY FOR THE CROSS-EXAMINATION

30

MR HENRY: Thank you. So I'll ask for page 138 to be brought up on the screen so that you can see this exchange. So, Ms Cronan, to give you context, this is me asking you questions in the context of a compulsory examination on 12 April, 2016.---Okay.

If you have a look please, there's line numbers on the left-hand side going down the page and under the number 10 - - ----Ah hmm.

40 - - - it says, "Returning to page 134 please". Now, 134 is a reference to the page that I've just referred you to in volume 11 - - -?---Yeah.

- - - with the dot points.---Yeah.

It says, "Returning to page 134 please, the next dot point says, 'Bonus conditions remain unchanged. Do you see that?'"---Yeah.

And then you say, "Yeah." Now, that's a reference to the third dot point on page 134.---Yeah.

And I say in the transcript, "I'll return to bonuses later. And then the last dot point says, 'Jack remains an employee of GLALC and contract employee of GMS.' Do you see that?" "Ah hmm, yeah." So, that's a reference, then, to the last dot point, to which I've just drawn your attention. Do you agree?
---Yeah.

10 I then ask you this, "Well, why would he become a contract employee of GMS?" And you answered, "To cut down the tax." And I ask, "Whose tax?" And you say, "His tax." Then I ask, "Does he talk to you about that?" And you say, "Yes." And then I say, "What did he say?" And you respond, "Tax kills him." And I didn't hear it, saying, "Sorry?" And you say, "Tax kills him."---Yeah.

And then I say, "Yes?" And I asked, "So, he proposed, did he, that, well, this suggests that he would be an employee of GMS, doesn't it?" And you said, "No, actually, it was through his company. It was through Waawidji."
20 Now, I'll ask you, with that in mind, to be shown page 140, commencing at about line 25.---Is that in volume 11?

It'll come up on the screen. So this is still with the transcript.---Okay.

Of 12 April, 2016.---Yeah.

You'll see, towards the base of the screen, line about 25. It says "Mr Henry". That's where I ask you to have a look at. So it's coming up on the screen now.---Yeah.

30 "And this contractual arrangement, which included Waawidji and GMS as part of that remuneration package, was something that was implemented at the request of Mr Johnson," you say. "For his taxation advantage?" "Yes, he made no secret of it," is your answer. Do you see that?---Yeah.

Now, I draw this to your attention because when asked in that examination
- - - ---Yeah.

- - - for the reason why the GMS-Waawidji contract was brought into being,
40 you referred only to taxation advantage.---Yeah.

You made no reference, did you, to what is put forward in your affidavit, namely that GMS had a cash flow that GLALC did not, and that was a reason for the GMS-Waawidji contract.---Yeah.

Do you agree?---Yeah.

And I draw that to your attention, because I suggest to you that when you were giving evidence on 12 April, 2016 - - - ---Yeah.

- - - if, in fact, a reason for the GMS-Waawidji contract related to GMS's cash flow, you would have referred to it in the course of your evidence. Do you agree with that?---It's possible.

Mmm.---I referred to both of them today.

10 Oh, you did today. But you didn't in your evidence on 12 April, did you?
---Not according to that.

And you didn't in your affidavit, did you?---I did in the affidavit, didn't I?

No, you didn't. You didn't suggest in your affidavit that a reason for the contract between Waawidji and GMS, in 2010, was taxation advantage.
---No, I can't remember what I gave as the reason, but I've given both of those reasons today, haven't I?

20 Yes, you have.---In evidence.

My suggestion to you is, in truth, the taxation advantage is the reason and you'd agree with that? It was a reason?---I actually gave three reasons today.

Yeah. Had another one. What was your third one?---I can't remember. You'd need to go to the transcript, I think.

30 You can't remember now?---No, I can't.

All right.

THE COMMISSIONER: Well, I'm intrigued, because I only have notes of two reasons. One was the cash flow of the GMS account and the other one was Mr Johnson's taxation. Did you say that you gave a third reason?
---I think I did.

40 MR HENRY: Well, if there was a third reason that you referred to, what was it?---I don't know, Mr Henry. You'll have to check the transcript, 'cause I can't remember. I just remember saying something to you at the time. Something to the effect of it is possible for there to be more than one or two or even three reasons. So I'm guessing that I probably gave you three reasons. I can't remember.

There was one reason, wasn't there? And it was the taxation implications for Mr Johnson and his company. Do you agree?---I don't recall.

You don't recall now?---No.

I see. Do you still have, then, volume 11?---Yeah.

Turn, please, if you would, to page 135. This is a copy of the Board meeting agenda for 2 May, 2010. Is that what you're looking at?---Yeah. It should be 3 May, I think.

Yes, it should be 3 May. That's an incorrect date. If you have a look at the agenda at item 11.---Yeah.

10

It refers to the Registrar's investigation. Can you see that?---Yeah.

And there's a second dot point, which is "COE contract complaint by Theresa Malone."---Yeah.

Can you recall what that was about?---I think it was supposed to be "CEO".

Yes. Yes, do you recall what the complaint was about?---I remember receiving a complaint. What it was about, I don't remember.

20

THE COMMISSIONER: Well, it's under the heading "Registrar's Investigation".---Yeah.

So it obviously related to that.---Yeah.

MR HENRY: And what was the Registrar investigating that might call in to play the CEO's contract? Do you recall?---I don't recall.

30

All right. You can hand that volume back. Now, you made reference earlier to a presentation you gave to the Board at the May 2010 Board meeting, apart from the one that I've referred to by reference to the slides in the papers to which I've taken you. Do you recall?---Yeah.

Can you explain, please, what that presentation involved?---So we're talking about the one that you provided earlier.

No, no. Sorry. I'll be clearer. My understanding is that you say that there was a presentation that you gave based upon research you had undertaken.---Yeah.

40

What was that presentation about?---That presentation was about what Jack was worth in the open market. So what he was worth in the market for an organisation of relevant size and relevant assets and cash flow and staffing and all of that sort of stuff. So it was essentially getting online, using an internet tool to source the information.

So you got online and used this internet tool, correct?---Yeah.

And what did you search for? Do you recall?---I can't remember the exact search terms that I used, but I just typed something into the internet in relation to something like "What is my CEO worth?" or something like that. I don't know. Something that generic.

All right. And I gather, then, it wasn't research confined to the remuneration packages of CEOs, of Local Aboriginal Land Councils? Is that right?---I don't recall, but I don't suggest that it would.

10 All right. Was it confined to the public sector?---No, I don't believe it was.

And so the results that you obtained could be referrable, what, to any organisation irrespective of - - - ---To a community organisation.

I'm sorry?---To a community organisation.

A community organisation?---Yeah.

20 What do you mean by that?---I mean by a community organisation.

Yes. Well, help me. What do you mean by a community organisation? ---I don't know how to break it down further for you.

All right. Well, what did the results show?

THE COMMISSIONER: Do you mean an organisation that functioned for the benefit of members of its community?---Yeah, like a Land Council.

30 Is that what you're referring to?---Like a Land Council.

Yes. Right. Yes. Sorry, go on.

MR HENRY: What were the results of the research?---It gave result that was greater than what Jack had proposed, far in excess of what Jack had proposed.

It gave a result far in excess of what he proposed?---Yeah.

40 When you say that, did it come up with a particular number?---It did. It came up with a range.

A range, and the whole range was above what he proposed?---Yes.

What was the range do you recall?---I don't recall. I just remember it was in excess of what he was requesting.

All right. Have you got your affidavit there?---Yeah.

Paragraph 44, page 15. Do you have paragraph 44 there, Ms Cronan?
---Yeah. I'm getting it up now.

Sorry?---Yeah, yeah.

You say in that paragraph don't you, "I prepared a PowerPoint presentation for the Board on what I thought was a fair range of salaries for Jack based on these factors".---Yeah.

10 And just pausing there, the factors to which you refer are back at paragraph 42 do you agree?---Yeah.

And then it reads on in paragraph 44, "I can no longer locate a copy of the presentation which was based on the research I had conducted on the Internet".---Yeah.

"The range of salaries generated by the Internet tools was about 160,00 to about 350,000 which was significantly more than Jack was being paid at the time." Do you see that?---Yeah.

20

Now, a moment ago you said that the whole range was above what Mr Johnson was proposing didn't you?---Yeah.

Do you stand by that evidence?---Yeah.

So is the evidence in your affidavit incorrect?---I don't know.

Well, it's your evidence. Is it incorrect or not?---I don't think so.

30 Well, they can't both be correct can they, your evidence in the affidavit and your oral evidence today, do you agree?---No, I don't agree.

They're both correct do you say?---No, I'm saying that he – my affidavit is correct.

So do you accept what you said a moment ago is incorrect about the range?
---Quite possibly.

40 Do you actually recall the results of this Internet research?---Yes, I do.

Did you take any steps to check whether your research was appropriate prior to the meeting on May, 2010 by discussing it with a third person?---I don't recall.

You didn't, for example, consult a recruitment agent?---I don't recall.

Did you discuss with Mr Johnson the outcome of your research?---I don't recall.

So you may have?---I don't recall.

Well, if you have a look at paragraph 45 of your affidavit.---Ah hmm.
Yeah.

You say, "I did not discuss my research or the contents of this presentation with Jack or disclose its contents to him." Do you see that statement?
---Yeah.

10

Is that an accurate statement?---Yeah.

A moment or so ago you said you couldn't recall whether you discussed the outcome of your research with Mr Johnson.---Yeah, and I don't recall right this moment.

So do you say at the time at which you swore your affidavit you could recall that you didn't discuss the research with him but now your recollection has faded. Is that what you say?---Yeah.

20

You had a better recollection in February, 2016 than now of events that occurred in May, 2010. Is that right?---Yeah.

And that's a truthful answer?---Are you suggesting otherwise?

I'm asking you is it a truthful answer?---Yes, it is.

Now, in May, 2010 you understood didn't you that GLALC controlled all of the companies in the Gandangara group of companies. Do you agree?---Say it again please.

30

In May, 2010 you understood didn't you that Gandangara controlled all of the companies in the Gandangara group of companies?---When you say Gandangara - - -

Sorry, I should - - -.--- - - - who are you talking about?

Sorry, I meant GLALC. GLALC controlled all of the companies in the Gandangara group?---No.

40

You disagree with that?---I do.

All right. Do you agree with this proposition, that in May, 2010 it was your understanding that anything done for the benefit of a Gandangara group company was done ultimately for the benefit of GLALC?---To the benefit of its members.

Yes. The members of?---The Land Council.

The Land Council?---Yeah.

And the only way by which members of the Land Council in 2010 had any interest in the Gandangara group companies other than GLALC was via GLALC was it not?---Repeat again please.

The only interest that the members had in Gandangara group companies other than GLALC was through or via GLALC. Correct?---Yes.

10

Sorry?---Yes.

So do you agree that anything done for the – that benefited a Gandangara group company other than GLALC benefit GLALC?---I'm sorry?

Do you agree that you understood that anything done for the benefit of a Gandangara group company other than GLALC was done indirectly for the benefit of GLALC?---For the benefit of its members.

20

Yes. What I've said to you is that the members – the only interest the members had in the company group – the group companies other than GLALC was through GLALC itself and you agree.

MR DOCKER: I object to this, Commissioner.

THE WITNESS: Through the Board of GLALC, yeah.

MR DOCKER: Is the witness being asked for some legal opinion about what an interest is or - - -

30

MR HENRY: Her understanding. Her understanding is what I'm asking.

MR DOCKER: But what's the relevance of it? It's just - - -

MR HENRY: I'll come to that.

THE COMMISSIONER: Well, it might be quite significant in the scheme of things but it's only on the basis of her understanding and, Ms Cronan, I'm just curious, in May, 2010 if you disagree that GLALC controlled all the companies in the group what was your view of that structure in May, 2010?---In which way, Commissioner?

40

Well, GLALC had a number of subsidiary entities did it not?---Yeah.

Well, who do you say controlled those subsidiary entities in May, 2010?
---The members.

And the members constituted GLALC did it not, the members were the constituent parts of the Council?---But by their election of the Board they, they controlled the other corporations.

Who is they?---The members.

I'm not talking about who controlled the other corporations. You agreed with me a short time ago - - -?---Yeah.

10 - - - that GLALC had a number of subsidiary entities being all of those other companies that were set up.---Yeah.

THE COMMISSIONER: And then I asked you, "So who do you say controlled all those subsidiary entities?" And you said, "The members." ---Yeah. Through the election of the Board.

But, what, you're saying that all of the members of the Land Council were also all members of each subsidiary company? Is that what you're saying? ---No, but they controlled the board of each of those companies.

20

Yes. And I come back to what I said a moment ago. The Land Council itself was constituted by the members, was it not?---Yeah.

Right.

MR HENRY: Well, in May 2010, Ms Cronan, did you understand that by approving the 2010 contract between GMS and Waawidji, GLALC was conferring a benefit on Waawidji?

30 MR DOCKER: I object.

THE COMMISSIONER: Again, it's her understanding, Mr Docker.

MR DOCKER: What's the relevance of it?

THE COMMISSIONER: It's pretty relevant if one takes into account what this witness has already said about appreciating the relevant provisions in the Land Rights Act. Go on.---Could I get you to repeat the question?

40 MR HENRY: In May 2010 - - - ---Yeah.

- - - did you understand that by approving the 2010 contract between GMS and Waawidji, GLALC was conferring a benefit on Waawidji?---How do you figure that? I don't understand. No, I don't agree.

That wasn't your understanding. So, do you accept that GLALC indirectly controlled GMS?---No.

Perhaps if Ms Cronan could be shown volume 1 at page 258, please?

THE COMMISSIONER: Ms Cronan, can I just understand this? So you do not agree that by approving the 2010 contracts, Waawidji was receiving a benefit from GLALC? Is that what you don't agree with?---Yes.

But then earlier in your evidence today you said that you understood before May 2010 that Mr Johnson could not be CEO if Waawidji received a benefit from GLALC.---Yes.

10

You understood that?---Yeah.

But you just didn't regard the contracts as bestowing any benefit on Waawidji? Is that what you're saying?---The contract with Gandangara Land Council? No. It doesn't bestow anything on Waawidji.

20

MR HENRY: We're just confining it to the contract GMS-Waawidji. I understand what you're suggesting is that that contract did not involve the conferral of a benefit by GLALC on Waawidji. Is that your position?---Yes. Sorry, can I get you to repeat that. I'm not sure I understood that.

All right. Well, I suppose I'll put neutrally. Do you say that by GMS entering into the contract with Waawidji in 2010, that did or did not involve the conferral of a benefit on Waawidji?---No. That's not what I said.

No, I'm going back to assist you.

THE COMMISSIONER: The question's being put again.---Okay. Sorry.

30

MR HENRY: And I'm going back a step to try to break it down a bit. Do you agree with this proposition, that by entering into the contract with GMS, a benefit was conferred on Waawidji?---Yes.

Do you say that by GMS entering into that contract with Waawidji, GLALC conferred a benefit on Waawidji or not?---No.

All right. If you go to the screen, please. Volume 1, page 258, or the document.---Yeah.

40

You'll see an original structure on the left-hand side of the page.---Yeah.

Now, do you agree that in May of 2010, the original structure as depicted on page 258 is accurate, at least so far as it shows the members, GLALC, Gandangara Development Services Limited, and Gandangara Management Services Limited?---Yeah.

So you agree that the only member of Gandangara Management Services Limited was Gandangara Development Services Limited?---Yeah.

And the only member of Gandangara Development Services Limited was GLALC itself, correct?---Yeah.

Now, with that in mind, do you agree that a benefit conferred on GMS benefited GLALC?---No.

You disagree with that?---Yeah.

10 Do you agree with the proposition that a detriment to GMS constituted, albeit indirectly, a detriment to GLALC?---No.

You say, do you, that notwithstanding the membership structure between GLALC, GDS and GMS, each of those corporations was unrelated so far as benefits and detriments were concerned? Is that right?---Which corporations are you talking about now?

The three of them.---The three at the top, not the others?

20 Yes.---Okay. Can you ask me the question again, please?

Perhaps I'll put it a different way. Do you accept this? That GLALC caused GMS to enter into the contract with Waawidji?---No.

Do you accept that GLALC had the power to make GMS enter into the contract with Waawidji?---No.

Well, I suggest to you that by the GMS and Waawidji contract, GLALC conferred a benefit on Waawidji by causing GMS to enter into that contract.
30 What do you say to that? Do you agree?---No.

All right. You can hand back volume 1. Actually, sorry, before you do, maybe I'll ask you now. Do you recall in January 2014 a proposal to change from the original structure, as depicted on that page, to the new structure?
---Yeah. Yeah.

And do you agree that that proposal to change from the original structure to the new structure came at a time after the administrator of GLALC at the time had proposed what was called a hub-and-spoke corporate structure?
40 ---Yeah.

Do you agree that the change, or attempt to change, the original structure to the new structure was done by circular resolutions?---Yeah.

Do you agree that that was done in January 2014 with a view to attempting to stop the implementation by the administrator of the hub-and-spoke corporate structure?---No.

All right. Well, could you be shown volume 5, please, at page 131?
---That's okay. Thank you.

You should have in front of you a circulating resolution.---Yeah.

And your signature appears on that document?---Yeah.

And can you just confirm that all the pages through to page 138 are circulating resolutions signed by you on 15 January, 2014.---Yeah.

10

Now – and do you agree that these were the resolutions with attempted to change from the original structure to the new structure?---Yeah.

These resolutions were not signed at a ordinarily or regularly convened Board meeting. Do you agree?---Yeah.

Who called the directors together for the purposes of signing these circulating resolutions?---I don't recall.

20

All right. Do you recall where you were when you signed them?---Right this minute, no.

Was there any reason why these resolutions could not have been put to the then next Board meeting?---I don't recall.

Well, signing circulating resolutions in the middle of January, 2004 (as said) was an unusual step in your experience wasn't it?---It's not unusual for us to do circulating resolutions.

30

Don't most resolutions ordinarily get put to the Board at a directors' meeting?---That is, that is the usual process.

Yeah. And there's - - -?---But not uncommon for this to occur.

Well, that's – I suggest to you that the circulating resolutions before you at the moment - - -?---Ah hmm.

- - - were most uncommon. You disagree with that?---Yeah.

40

Weren't resolutions that were put to the Board ordinarily the subject of agenda items in folders at directors' meetings?---Yeah.

And directors were given an opportunity to read those documents – the documents in their folder you say before the meeting started?---Yeah.

And that you say included not just agenda items but minutes from previous meetings. Correct?---Yeah.

And reports that were to be put before the Board?---Yeah.

Is there any reason you can point to as to why these circulating resolutions could not have been put at the next Board meeting?---I don't recall.

Well, you're aware aren't you that at the time at which these circulating resolutions were signed the hub and spoke structure that had been proposed by the Administrator was put to the – to GLALC at a members' meeting in late 2013?---Yeah.

10

You were also aware weren't you at the time at which you signed these circulating resolutions that the Administrator had requested a Board meeting?---Yeah.

And - - -?---Possible. I don't, I don't really recall. I'm relying on you to advise me that you obviously seem to think that there was but, yeah, go on.

Well, don't rely on me. I'm asking you for your answers.---Well, I don't remember that there was a Board member – meeting called but - - -

20

All right. Have you got volume - - -?--- - - - that doesn't mean there wasn't.

Have you got volume 1 still, page 257?---That's 8. Yeah. 2-5-7 did you say?

Yes. So it's the preceding page to the one with the diagrams New Structure and Original Structure.---Yeah.

30

It says at the top of the page, "The Boards of GLALC's service delivery entities have changed the group structure without the consultation or approval of GLALC members or the Administrator." Do you see that? ---Yeah.

That was a reference wasn't it to the circulating resolutions as you understood it?---Which, which sentence?

At the top of the page the heading, "The Boards of GLALC's service delivery entities have changed the group structure" - - -?---Oh, yeah, yeah, yeah. Yeah.

40

Now, do you agree that that heading is correct as at the time at which you signed the circulating resolutions members' approval had not been obtained to change from the original structure to the new structure. You agree with that?---Yeah.

And the Administrator had not been told about the proposed change before the circulating resolutions were signed. Do you agree with that?---Yeah.

Now, if you have a look at page 257 under the heading Corporate Structure Background on the right-hand side of the page.---Yeah.

It reads, “As noted in prior reports the Administrator had conducted legal and tax reviews in drafting the documentation required to enable the Board to put the proposed hub and spoke corporate structure in place. Diagram opposite.” Do you see that?---Yeah.

10 And you were aware weren't you of this hub and spoke corporate structure when you signed the circulating resolutions?---Yeah.

If you read on. On page 257 it says at the second dot point, “The Administrator believed that the hub and spoke model would provide GLALC members with a high level of control over the entities of the group and that the structure was less likely to cause breaches of the ALRA.” Do you see that?---Yeah.

20 Now, did you agree or disagree with that when you signed the circulating resolutions?---I disagreed with it.

Right.---Because it wasn't in breach of the ALRA in the first place.

All right. So you disagreed with, you disagreed with the implementation of the hub and spoke corporate structure didn't you. Is that right?---I really had no opinion on it. It wasn't - - -

30 THE COMMISSIONER: But if you didn't have an opinion on it why was it necessary to change the structure to the one that you approved?---Because we needed to get the AMS.

What's that?---Well, we needed the, the new structure so that we could get the AMS happening. We needed to be able to – I'm trying to think of the right words. We needed to be able to access Federal funding for AMSs and in order to do that we needed to qualify in terms of where our membership stood in the whole scheme of things and that's why we needed to, to create the new structure.

40 Why didn't the hub and spoke model achieve the same thing?---That's not something that the Board considered.

MR HENRY: Why not?---Because it didn't. I don't know why not.

THE COMMISSIONER: Is that because the real purpose of this was to avoid the Administrator putting the hub and spoke into existence?---He had no authority to put it in to existence.

That's not the answer to my question. Did the Board not consider whether the hub and spoke model would achieve the same end because the real

purpose of this exercise was to forestall or if you like prevent the Administrator from putting this model into existence?---No, that's not what the, what the aim was.

MR HENRY: Do you agree that was the effect of what was done by the – or the intent – I withdraw that. Assuming the circulating resolutions were effective that was the effect of them wasn't it?---That may well be the effect of it.

10 And you say that's just a coincidence do you?---Not at – I don't know. I have no answer for it.

You were the Chairperson of the Board in January, 2014 weren't you?
---Yeah.

Why didn't the Board consider the hub and spoke corporate structure before implementing the circulating resolutions?---Because they didn't give consideration to it for whatever reasons.

20 And as Chairperson of the Board you didn't think it was appropriate to bring that to the Board's attention first. Is that right?---I think you'll find that the Board would have attended the same meetings that I had attended and would have been aware of it. Whether or not they took it into consideration is entirely up to the individual.

THE COMMISSIONER: But I thought you just said the Board never discussed that, the Board never discussed whether or not the hub and spoke model would achieve the same ends.---I said I had no recollection - - -

30 No, you - - -?--- - - - about whether or not we had a discussion in relation to it.

All right.

MR HENRY: Wasn't it an intentional or conscious decision on behalf of the Board not to inform the GLALC members of the proposed new structure prior to 15 January, 2014?---I'm sorry, can I get you to repeat that.

40 Yeah. It was an intentional or conscious decision, was it, on behalf of the Board of GLALC, not to inform the GLALC members of the proposed new structure prior to 15 January, 2014?---I still didn't quite get it, I'm sorry.

It was an intentional or conscious decision on behalf of the Board not to inform the GLALC members of the proposed new structure prior to 15 January, 2014. Do you agree?---No.

You disagree with that?---Yeah.

I'll ask for the suppression order in relation to page 103 of the transcript on 12 April, 2016 to be uplifted, please, Commissioner.

THE COMMISSIONER: 103? Transcript of the compulsory examination of 12 April at page 103 is released from the suppression order. Thank you.

10 **TRANSCRIPT OF THE COMPULSORY EXAMINATION OF 12
APRIL AT PAGE 103 IS RELEASED FROM THE SUPPRESSION
ORDER**

MR HENRY: Thank you. If you have a look at the screen, Ms Cronan. It'll come up in a moment.---Yeah.

If you look at the top of page 103. This, again, to give you context, is me asking you a question at your compulsory examination. I ask, "So, do you say that it was an intentional or conscious decision on behalf of the Board of GLALC not to inform, firstly, the GLALC members of the proposed new
20 structure prior to 15 January, 2014?" That's the question. And your answer is "Yeah." Do you see that?---Yeah.

Was that a truthful answer?---Yeah.

It was?---Yeah.

So a moment ago - - - ---And so is today's. We didn't give any consideration at all, so it was neither.

30 THE COMMISSIONER: The two can't stand together. A conscious decision is something that's deliberately taken. A failure to give consideration is just an absence of consideration. One of them is right, the other one has to be wrong. Which is it?---I'm unsure.

Well, if you look at about line 35 on the screen in front of you, you go further. You say, "No, it was a conscious decision of ours because we understood what our rights were in terms of whether or not we had any authority to do what we were doing and all the rest of it."---Yeah.

40 "The fact that the administrator had his own ideas and had no compulsion to talk to us in regards to any – obviously thinking that we were some sort of ninnies or something."

MR DOCKER: Commissioner, that's - - -

THE COMMISSIONER: That was a - - -

MR DOCKER: That's something else, isn't it?

THE COMMISSIONER: Yes, well, I appreciate that.

MR DOCKER: I'm sorry.

THE COMMISSIONER: If you'll just let me finish. So, what you're saying there is that it was a conscious decision taken by the Board to prevent the administrator from implementing the hub-and-spoke model. Do you see that?---Yeah.

10

MR HENRY: And that was a truthful answer?---Yeah.

All right. All right, I'll move on to the December 2012 Board meeting, Ms Cronan, and I'll ask you, for that purpose, to be shown volume 10, page 121. You can hand back volume 11 if you still have it, and volume 1 if you still have it.---I'm not sure what I've got, actually. That's one. I'll just close it up here. What's that one? What's that one? That's 5. Do we still need 5?

20

Sorry?---Do we still need 5?

No, you don't. Thank you.---Okay. So we can rid of that one too, then. There we go. Okay.

So you should have in front of you now - - - ---Ah hmm.

- - - minutes of the Board meeting of 10 December, 2012. Is that what you're looking at?---Yeah.

30

And you'll see that you're in attendance at the meeting.---Yeah.

If you go over the page, to page 122, you'll see motion 4 at the top of the page.---Yeah.

That's a motion relating to the replacement of the GMS-Waawidji contract, to which there's been reference today, with three other contracts. Do you agree?---Yeah.

40

Do you recall at the meeting that motion or proposed resolution being put up on an overhead screen for everyone to see?---I don't recall.

Do you recall there being any discussion at the meeting about why the GMS-Waawidji contract should be terminated?---I don't recall right this minute.

THE COMMISSIONER: Could I just inquire? Could we just go to page 1 of that document?

MR HENRY: The previous part?

THE COMMISSIONER: The previous page, I'm sorry. Yes, sorry. It's gone.

MR HENRY: I'm sorry, Commissioner, you have a question?

THE COMMISSIONER: No, I was just trying to confirm which Board meeting it was, that was all. I'm sorry.

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10 have another set of proceedings booked in for hearing this afternoon at quarter past 4.00 so I'll – I think you're better off just ending the evidence for today and we'll resume at 2 o'clock on Monday afternoon. So thank you, Counsel, and I'll adjourn until Monday, 2.00pm.

MR DOCKER: Oh, excuse me, Commissioner. Could I just raise on thing
- - -

THE COMMISSIONER: Yes, Mr Docker

20 MR DOCKER: - - - about next week.

THE COMMISSIONER: Yes. You can go, Ms Cronan, if you wish to leave. Just take a seat at the back if you wish to step down.

THE WITNESS STOOD DOWN

[3.30pm]

30 MR DOCKER: Leaving aside the interposed witness about which I know nothing, but I understand that Mr Johnson is the remaining witness after Ms Cronan.

THE COMMISSIONER: Yes.

MR DOCKER: And I just want to make an inquiry about the days on which he might be required.

40 THE COMMISSIONER: Well, I anticipate we'll get to Mr Johnson Tuesday and I would anticipate that for most of Tuesday and Wednesday we'll be engaged with Mr Johnson and as things presently stand there shouldn't be any reason why we couldn't conclude on Wednesday afternoon.

MR DOCKER: Right. Is there any prospect that it could be done on Thursday instead of Wednesday?

THE COMMISSIONER: I've got other hearings on Thursday, Mr Docker.

MR DOCKER: Right.

THE COMMISSIONER: And I've got other hearings again on Friday.

MR DOCKER: All right. Yes. All right. Well, thank you for that, Commissioner.

THE COMMISSIONER: All right. We'll do what we can. All right. Thank you.

10

**AT 3.31PM THE MATTER WAS ADJOURNED ACCORDINGLY
[3.31PM]**