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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE MEGAN LATHAM

PUBLIC HEARING

OPERATION SPECTOR

Reference: Operation E13/0275

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON TUESDAY 25 FEBRUARY 2014

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 112(2) of the Independent Commission Against Corruption Act 1988.

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

THE COMMISSIONER: Yes, sorry about that delay. Yes, Mr- - -

MS McGLINCHEY: Commissioner, if I could just briefly- - -

THE COMMISSIONER: Oh, yes.

10 MS McGLINCHEY: - - -make an application.

THE COMMISSIONER: Yes.

MS McGLINCHEY: Look, on behalf of my client I'm making an applicant that the name [REDACTED] be the subject of a non-publication order and I do that on information from my client that Ms [REDACTED] actually suffers, has a longstanding history of depression and may find it quite difficult to perhaps read in the papers tomorrow that there was a discussion about her position and various matters to do with how, with whatever benefit she may have
20 got. So it's not to do with assisting my client at all, it's just in sensitivity of suppression of a name, not the evidence.

THE COMMISSIONER: Do you have a view about it, Mr Polin?

MR POLIN: No, Commissioner, other than later on down the track if there needs to be findings that you need to be able to- - -

THE COMMISSIONER: Mmm.

30 MR POLIN: That's, but if that can be revisited later on down the track, that might be able to resolve that issue, as long as the findings can make sense in terms of identifying the transaction and the like if need be.

THE COMMISSIONER: Oh, well, we'll cross that bridge when we come to it. I'll make an order until further notice that the name, is it [REDACTED] was it?

MS McGLINCHEY: [REDACTED], yes.

40 THE COMMISSIONER: [REDACTED] be suppressed.

AN ORDER THAT [REDACTED] IS TO BE SUPPRESSED

MS McGLINCHEY: Yes.

THE COMMISSIONER: Sorry, the spelling it [REDACTED] is it?

THE WITNESS: [REDACTED]

THE COMMISSIONER: [REDACTED]

MS McGLINCHEY: Yes.

THE COMMISSIONER: Could I also extend the ambit of that order to the
evidence that so far has released the name of [REDACTED] and that will be
10 duly noted for the transcript.

MS McGLINCHEY: Thank you, Commissioner.

THE COMMISSIONER: Yes, Mr Polin.

MR POLIN: Now, Ms Attard, I take it you understand that it is very
important that you tell the truth in your evidence here today?---Yes, I
understand.

20 You're aware aren't you that your brother's sitting up the back of the room
-- --?---Yes, I am, yes.

-- --listening to the evidence you're giving?---Yes, that's correct.

Does that concern you at all?---No, not really. I mean I'd prefer him not to
be here but it's not going to deter me from telling the truth.

Do I take it that at some point in time you've had a discussion with your
brother about everything that's happened over the last couple of years?
30 ---I haven't spoken to him about this since Christmas, like last time I had
contact with him was at Christmas and, and because it was Christmas no
real discussion was held.

So you last spoke to him at Christmastime?---Yeah, on Christmas Day.

You didn't speak to him at all about anything to do with this particular
matter?---Not on that day, no.

40 And when was the last time you spoke to him about matters concerning
these loans?---Probably a few weeks prior to Christmas but it wasn't in any
great depth.

Right. What was it a few weeks prior to Christmas that led you to have
some discussions with your brother about these loans?---It was more, more
around the um, ICAC investigations um, and just a general discussion that,
you know, staff had been, my, the staff that I had borrowed money from had
been interviewed um, and basically um, I just wanted it all to be resolved
one way or the other.

And what was the discussion that you had with him - - -?---I can't - - -

- - - a couple of weeks before Christmas?---I can't remember the exact conversation, it was more around, you know, that - we just, I just wanted it to come to an end one way or the other, I just wanted the ICAC investigation to commence so that we could move forward and have some resolution.

10 THE COMMISSIONER: Ms Attard, forget about the ICAC investigation. What you were being asked was throughout all of 2012 and 2013 you were aware that these large sums of money had been borrowed on your brother's behalf both from you and from your employees or your staff. What's being asked of you is what discussions you had with him over that period of time? ---Okay, around whether I was going to get the money returned, is that what you're asking?

MR POLIN: Well, you tell me, you had the discussions?---Yeah, well, I, I said to him like when is it going, when, when, when is it going to be
20 finalised and he said oh, soon, soon, soon, soon but it, it just never seemed to, to have a resolution.

In any event you've identified a particular discussion a couple of weeks before Christmas last year you had with your - - -?---Yeah, basically around what was happening, was there going to be any resolution.

And was it about the evidence that you might give at an ICAC hearing or the evidence that he might give at an ICAC hearing?---I don't think so, no. We, I, I purposely didn't try and avoided those conversations because I
30 didn't want it to, to cloud either of what we were going to say.

That happens to coincide exactly with the time that you have given some evidence didn't it?---Sorry?

The couple of weeks before Christmas last year?---Yes, yes.

You recall have a conversation with him and you recall discussing the ICAC inquiry?---No, I didn't discuss the ICAC inquiry.

40 Well, you said a moment ago you did and that you wanted it to be done as quickly as possible?---Yeah, but not about the specific of me having to attend a compulsory hearing, it was more about the overall ICAC - I tried to avoid the ICAC conversation at all because I was told not to discuss it with him so - - -

And have you discussed this with your husband?---Since ICAC came out, yes.

Did you discuss it with your husband before?---No, not before 'cause I - - -

You weren't telling your husband that you were borrowing large amounts of money from associates on behalf of your brother?---No, I didn't tell him.

What about you father, I take it you would have discussed this with your father?---My father knew, yes.

10 Right. So you had had discussions with your father back during the period of time you were borrowing money from associates at work - - -?---Yes.

- - - didn't you?---That's correct.

So you would have known at that point in time that your father had lent your brother about \$650,000 as well, wouldn't you?---I, I knew that he lent him some money but I wasn't sure of how much it was.

20 Surely, madam, you would have asked him how much he'd, he'd lent him?
---No, I didn't, all I, he's just said to me look, originally it was about 200,000 and then I found out later that he had lent him some more but I never asked him for the specific amount, I just knew it was a considerable amount of money, yes.

We're not talking \$650, we're talking \$650,000?---But I didn't know that that was how much my father had lent my brother.

But you knew - - -?---It was a significant amount, yes, but I was, I never asked the question how much.

30 Why not?---Well, it wasn't, I didn't think it was my business, it was between my brother and my father.

You've already told us that you understood that it was at least \$200,000, that's a lot of money isn't it?---It is a lot of money, yes.

And how old's your father?---He's um, 84.

Right. So he is elderly?---He is elderly, yes.

40 And there's three kids?---That's correct.

And I take it that you're the three that stand to inherit whatever he ultimately has?---Yes.

And your brother, you say you're aware of \$200,000 that he's borrowed, didn't it, did you think it was your business to find out exactly how much he had borrowed?---Well, perhaps in hindsight, but at the time, no.

You didn't care less, is that what you're telling us?---I'm not saying I didn't care - - -

Then, why didn't - - -?---I was concerned.

Why didn't you ask him?---Outright how much he - - -

Yes. Say dad, how much have you lent Joe?---I just didn't ask him.

10 Or is it the case that you did ask him?---No, I don't think I asked him outright, I don't recall asking him outright and I definitely didn't know that it was \$650,000.

In any event, you knew that it was a large amount of money, at least \$200,000?---Yes, yes at least \$200,000.

I tell you, the only other person you then could speak to them is may be your sister?---That's correct.

20 And you spoke to her at the time I take it as well?---Yes, yes.

And you found out that she'd lent your brother money as well?---Yes, well before I was made aware of the situation, yes.

And how much had your sister lent your brother?---I don't know I know it was probably at least a couple of hundred thousand too.

Right. And were you aware that one of your sister's children had lent your brother some money as well?---I only recently found that out.

30 How much was that?---I don't know, I don't know I didn't ask.

So if we go back to a point in time about March 2012.---Right.

You know that your father's lent a substantial amount of money.---Right.

At least a couple of hundred thousand dollars, your sister's lent a couple of hundred thousand dollars, you understand your brother's used all his savings, he's used all his leave entitlements which you say could have been
40 several hundred thousand dollars.---Correct.

He's mortgaged his house, he's extended his mortgage?---Correct.

And I take it that you understood as well or knew that your father had extended the mortgage on his house as well?---I don't think it was at that time, I think it was later.

It was later that he did that?---Yes, much later.

You're aware that, sorry, if I didn't say it, your sister had lent a couple of hundred thousand dollars, is that correct?---Over a period of time, yes.

Yes. Then we've got you've put in \$21,000 of your own money, you've got an associate at work who's put in \$5,000, you've borrowed another \$4,000 from a Cash Converters or somewhere like that, is that correct?---Correct, yes.

10 And then another associate's put in another \$10,000?---Correct.

We're edging our way up to the better part of \$1 million then at this particular point in time in March 2012 that you're aware of. Where on earth do you think this money was going?---Well, I trusted what my brother was telling me.

That the story about the credit card, this is the \$10,000 limit credit card and the stolen identity there's been the better part of \$1 million put into legal fees and bank charges.---Correct.

20 You believed that did you?---Well yes, I had no reason not to believe what my brother was telling me.

Are you saying that to somehow help your brother out today?---No, no, no, it's got nothing to do with helping my brother. I honestly believed what he was telling me for a period of time, yes, when he was telling me.

30 When you say you had no reason not to believe your brother, isn't just the story you were told and the amount of money that went into that story a very good reason not to believe your brother?---Well, at the beginning I gradually found out exactly how much money was being lent by other family members over an extended period of time. I didn't know the initial amount up front.

Now tell me, about March, I wasn't asking you up front, I was asking you in March 2012 you would have been aware of those matters, that's not at the beginning is it?---It was a couple of months after.

40 Well, the beginning started back in 2008 didn't it?---I'm not sure when it started I just knew that it was several years prior but I wasn't involved in any of this until the beginning of 2012 but it was over a period of time after that that I discovered that there was money being lent by other family members and gradually the amounts were coming out.

You knew by March 2012 you've already told us - - -?---Yes.

- - - that your father was aware and that he'd lent money?---Yes, by, yes.

You've already told us that your sister was aware and she'd lent money?
---That's right.

Just with the money from your father, your sister and you and what your brother's put in, as I said to you, we're nearly up to \$1 million.---Correct.

10 Now a family function, you sit down, your father's there, your there, your brother's there and your sister's there, do you honestly expect anyone to believe that you didn't discuss the fact that your brother had used \$1 million to put into some legal case on behalf of his daughter?---We probably had discussions but nothing like greatly in depth and the \$1 million never came up it was more about when was it going to be resolved and when was people going to get their money back.

It only took a little bit just to put together the numbers, didn't it?---Yes, yes.

With your father, your sister, you and your brother, that you're getting up to \$1 million?---Right.

20 Surely that would interest the whole lot of you in a discussion about where this million dollars has gone?---Well, we did have discussions but basically it was the same story was being given, that it was, it was to pay legal fees and then bank fees.

But that's the story that had been given no doubt to your father back when he lent the money years earlier, wasn't it?---Yes, correct.

30 Well, what was your father saying, Joe, that's the same old story I got two years ago, you're still dishing it out to other people?---I think he, like me, he trusted his son, that what he was telling him was the truth.

I understand you saying that, but, madam, the fact of the matter, it's the same story that's been given over a period of years, how could it be the truth?---I, I, I don't know what to tell you.

It's not a small amount of money either, is it?---It's not, it's a huge amount of money, I understand that now.

40 And you tell us that you had to go to Cash Converters or a loan shark to borrow \$4,000?---That's right.

What sort of interest rate were you paying on the \$4,000?---Oh, I can't remember exactly but it was high.

20 per cent, something like that?---Probably, probably close to 20 per cent.

And you weren't for a moment concerned- -?---I was concerned.

- - where all this money was going?---I was concerned, I'm not going to lie, I was concerned, but- - -

It would be the first topic of conversation at a family function at that point in time, wouldn't it?---Not, not, if it was just us, yes, but not if there were other extended family members, no, we wouldn't bring it up.

10 Well, I take it that at a family function there would soon be a smaller gathering of those that were involved in lending the money?---Correct.

And there would be discussions that would take place about it?---And from my perspective, my discussion was when is it going to be resolved, I really need to get my money back and- - -

I take it that's what everyone wanted to know?---Yes, I would assume that would be the case.

20 And I take it, what, these discussion then did take place?---Yes, from time to time.

And I take it, what, they got heated at times?---Not with me present, no.

Right.

THE COMMISSIONER: Ms Attard, can I just ask you, am I correct in assuming that you kept all of this from your husband?---Yes. He knew about some of the money that I had lent originally but not about the fact that I had borrowed from, from friends and colleagues.

30 And did your husband know about all the money that your, that your father had lent to your brother?---After I told him, yes.

Well, when was it that you told him?---In early September.

September what year?---2013.

So only when all of this had blown up publicly?---That's correct.

40 So for the bulk of this time your husband knows nothing about the extent of your family's indebtedness to your brother?---That's correct.

Nor does he know that you have extended a significant amount of money to your brother?---Correct.

Presumably from a joint account?---Correct.

So if you were all believing this story and you had absolutely no problem with it, why didn't you tell your husband?---Originally it was because I was

told that it was going to get resolved in a short time frame and I thought, oh, well, the money will go back into the account and it'll be - -

Well, let's go forward to all of these discussions you're having when you all realise that your brother has, has borrowed significant amount of money from various members of the family and you're telling Counsel Assisting that you all sat down and discussed it and believed what your brother was telling you. That's what you've just said?---Correct.

- 10 So why didn't you tell your husband about it?---Probably because I didn't think he'd approve.

Well, why wouldn't he approve? This story was so plausible. If this terribly identity theft had occurred, why wouldn't he approve?---I don't think he would have approved with the fact that I had asked other people for money because I know how he feels about- - -

- 20 Well, forget about asking other people for money, just concentrate on the money that your family had lent Mr Camilleri. If it was all so above board and it was so important to get Jessica out of trouble, why would he not have approved?---Not so much not approved, he probably would have tried to assist but he probably would have asked a lot more questions than what probably I should have done.

It wouldn't be that you didn't tell him because you knew perfectly well that the story stank to high heaven and there was something very wrong with it? ---Probably towards halfway through last year, yes, I agree that that was probably the case, but initially, no.

- 30 Your financial position was in March last year such that to raise an amount of \$4,000 you had to go to a loan shark if I can call them that?---Correct.

You couldn't extend a credit card, a line of credit and you didn't have the cash?---It was March last year it was March - - -

Sorry, March 2012?---Well, I - no, I could have but I didn't because I just thought I was going to get the money back quickly.

- 40 Well, why wouldn't you have done it in a means that didn't cost you 20 per cent interest?---Because he needed the money that day.

What did your husband say or was he aware that 21,000 had already disappeared from your joint accounts over a period of a week?---He, he, he knew that there was at least 10,000 that I'd lent him originally.

I thought you said that you didn't - the Commissioner just asked you whether you told your husband about it?---No, I did say earlier that I think I

told you 10,000 he knew about but after that I didn't tell him that I'd lent him any more money.

Well, what about the other 10 or 11,000 that disappeared from your account, wasn't your husband aware of that?---No.

Now at some stage did your brother or did you ever hear your brother say something about one of Jessica's auntie's had died and left Jessica a box of cash?---No.

10

I take it that you and Mary are Jessica's aunties on his side?---Correct.

What about aunties on her mother's side?---There are three, two sisters and a sister-in-law.

And had any of them passed away and left Jessica - - -?---No.

- - - a box of cash at that stage?---No.

20 Well, tell me again we're still back at 2012, we've got about \$1 million that has gone somewhere, where has it gone?---I can only tell you repeatedly what I've been telling you previously. My understanding was it was going to bank fees and legal fees.

I'm not asking you what your understanding was then, I'm asking you your understanding now, where did this million dollars go?---Well, obviously it's gone to Jessica's gambling habit which I only found out about on the day that ICAC commenced these proceedings. Up until then I had no idea where the money was going other than what I was led to believe.

30

So up until the day this hearing started you still believed the money had gone to banks for fees and charges and that there was still money coming back did you?---Well, up until the day of ICAC I had no idea where the money had gone but over the last few months I have been second guessing where the money had gone.

40 Why did you have to second guess where the money had gone?---Because it had just dragged on for so long and then when I sat down and thought about it all I thought well, if it's been going on for many years and it's still 18 months down the track and nothing's still resolved, maybe it's not going to where I've been told its going to.

Where's Jessica's now?---Living at home I guess at Brighton.

She was the one that was supposed to be getting all this money for her case?---That's my understanding.

And I take it there must have come a point in time where you thought I need to speak to her and find out where all my money has gone?---Well, I probably should have and I did try on a couple of occasions but as I said she never responded to any of my calls or my texts.

You borrowed \$180,000 was it from - - -?---Approximately.

- - - colleagues at work?---Correct.

10 And you've paid some of them back out of your own money?---That's, that's right.

How, how much have you paid back?---About half I've paid back.

About \$90,000?---Yes.

20 So that in terms of the money that you have put into this venture, if we can call it that, it's only \$100,000 now and you really appear to be quite disinterested in where the money's gone?---I'm not disinterested, I'm still reeling shock that the money's gone to her addition. I mean, I can't get over that, I've been distraught about that since I found out.

THE COMMISSIONER: Have you ever had a conversation with your brother about it?---Sorry?

Have you ever had a conversation with your brother about it?---About the - what - - -

30 About where the money's gone?---Yes, I have, I've asked him and he keeps telling me the same story.

Oh, you mean even after you became aware that your niece is supposed to have a gambling addiction you have - - -?---Oh, no, no, I only found out about the gambling addiction at the beginning of these proceedings but I haven't spoken to my brother since the beginning of the proceedings.

40 I'm talking about last, the latter part of 2012, you had never had a conversation with your brother about where the money has gone after your suspicion was raised that he was not telling you the full story?---No, I have had conversations with him and he said, I can only told you what Jessica's told me.

And you obviously wouldn't accept that by the because you knew there was something wrong about the story?---I just said to him, I don't know it doesn't seem right to me but I never pursued it.

You never pursued it, why not?---Because I think naively I was living in hope that may be you know, a small miracle would happen. I know that sounds naive but - - -

It's more than naive though isn't it?---It's stupid I guess.

MR POLIN: When did you decide that you didn't believe the story any longer?---Probably a good, six/eight months ago.

10 Six to eight months ago. So that puts it what, the middle of 2013?---May be slightly before that, yes.

Right. And I take it the moment you decided in your own mind the story was not true you challenged your brother about it?---Yes, I said to him, like when's this going to stop? And he goes, soon, soon, soon.

So at the point of time when you yourself decided that the story was not true, you challenged him yet he maintained at that point in time that the story was still true?---That's correct.

20 Right. And is it the case that in terms of any discussions with him he has maintained that the story was true right up until the opening address of these proceedings?---Yes.

Didn't it shock you that an ICAC investigator wanted to come and speak to you at some stage?---Well, the reason I believed that ICAC wanted to talk to me - - -

30 No, no, I'm just asking you whether you were shocked when you were informed - - -?---Well, yes I was.

- - - that an ICAC investigator wanted to come and talk to you?---Well, nobody came to talk to me until I had the compulsory hearing, I had no dealings with contact, sorry, no contact from ICAC until I was informed about the compulsory hearing.

I'll ask you this way. Weren't you shocked when you found out that ICAC were investigating your conduct?---Oh yes, oh my conduct?

40 Yes, your conduct.---Yes I was.

Yes. Has that ever happened to you before?---Never.

I take it you would have been horrified?---I was, I was mortified.

And what conduct did you think they were investigating?---Well, initially I thought ICAC were involved via my brother and the situation regarding RailCorp.

Yes.---I didn't know about the ICAC investigations until my brother had told me that ICAC had raided his property.

Right. Did that shock you?---That shocked me, yes.

Have any of your family ever been had with a problem, been raided by ICAC before?---Never, none of our family have ever been in trouble with the law at all.

10

So that would have shocked you?---It was, it was a huge shock.

And I take it you would have immediately gone to your brother and asked what on earth is going on here?---Yes, I did.

Right.---And he, that's when he said to me he said it's got to do with RailCorp issues.

20 Right. What sort of issues?---The fact that um, um, he'd been, he'd been warned by his manager that he shouldn't be, he should borrowing money from staff members and that he hadn't and that that some of the, there were issues with some government contracts.

And you soon became aware that ICAC were looking at your behaviour as well, too, didn't you?---Yes, yes, after um, the staff were contacted by ICAC officers.

It must have horrified you that that was occurring?---Yes.

30 But you would have gone to your brother then, surely, and asked him what was going on?---I did.

Surely you wanted to get to the truth of the matter at that point in time?---Yes, yes.

Is that correct?---Yes.

Right.---But I, I couldn't get an answer other than the same consistent answer.

40

Have you ever said to him, I don't believe you, you're lying to me?---I've never said no I don't believe you that he was lying to me, what I did say was, I don't believe the story anymore or something along those lines.

Has anyone in your family ever said to your brother, they don't believe him that he's lying?---Not in front of me but that doesn't mean that that hasn't been said.

Is it the case he's not the kind of person that people would confront readily is he?---I've never had an issue with my brother, it's not like he's got a temper or anything like that if that's what you're referring to.

Then why haven't you been able to confront him and get to the truth of this matter?---It's not a matter of not confronting him it's just like, I don't think he was in a mental state to actually cope with much more to be honest.

10 He was distressed about it all, was he?---Oh, very very distressed the whole time through.

Distressed that he's used the better part of \$4 million of other people's money?---I didn't know it was \$4 million.

Well, you know that now, don't you?---I do that know but I didn't know- - -

Doesn't that distress you?---It does, it does distress me.

20 So have you got to the bottom of it?---No, not yet.

Where has the \$4 million gone to?---Well, I- - -

Do you know where he's got it from, have you asked him who he's actually gone to get the money from?---I know where he's got it from now, yes.

Does your family actually care where the money's gone?---Yes, we do care, we are very much- - -

30 Why has no one asked the questions then, why haven't you asked the questions?---Because I trusted what my brother was telling me.

I understand that?---He's, he's of good standing character, he's never done anything like this before.

I understand that, but there came a point in time where what he has done appears to be, if what you say is correct, quite out of character?---It is totally out of character.

40 That must shock you, that he's acting- - -?---It does.

Then why haven't you asked the questions?---I can't give you an answer.

THE COMMISSIONER: Ms Attard, can I just ask you one other question. A number of times in your evidence you said that each time your brother rang you at work asking for more money, he was distressed and you became distressed?---That's correct.

Is that right?---Yes, yes.

This is, this is very early on, at least the first three weeks in early 2012, when he's asking you for money and he's telling you that it's either for legal fees or bank fees related to identity theft?---Correct.

And at this early point in time you totally accepted that what he was saying was, was true and correct?---Correct.

10 Well, then why did you become distressed?---Because he, I was feeding off his emotions.

But why was he distressed?---Because I think he just wanted this to be resolved and- - -?---Yes, but you're talking about repeated occasions that he rings in a highly distressed state. If this was a legal case which was proceeding through the courts and in accordance with what he was telling you, Jessica was going to win and receive a significant sum of money, why was he distressed?---I can't answer for him, I don't know.

20 Did it ever occur to you to ask him why he was distressed?---Yes, I have. I said, "Why are you so upset, stop, stop crying." Sometimes he'd be crying and he- - -

He was crying?---Yes. Not all the time but on the odd occasion.

And, and when you asked him why he was distressed, what did he say? ---He said, "Because," he said, "I just want this whole thing to, to be resolved so that everything, everyone can get paid back."

30 So everyone can get paid back?---Yeah.

Did he tell you exactly how much money he had borrowed at that stage? ---No, I didn't know at that stage how much it was.

And you didn't ask him?---No.

MR POLIN: But he's just being asked for legal fees, that's what, or bank charges?---Correct.

40 Why is that so distressing?---I think it's because it had been going on for so long.

And it seems as though it's been going on for so long and it's funny, every time money was asked for it was urgent, it had to be in cash?---That's correct.

Every single loan that you got from someone at the Department was a loan in cash, wasn't it?---Correct.

None of it was by bank transfer?---No.

And none of it was by cheque?---Oh, actually, no, there might have been one that was via bank transfer for a small amount of money.

You've previously said that all of them were by cash, haven't you?---Except for one I just remembered.

Except for one?---Yeah.

10

In any event, all of them except for one?---Yeah, the majority was, yes, in cash.

And so there was this great urgency to get this money to your brother or whoever?---That's right.

And the great urgency wasn't once, it was every single time, wasn't it?
---Correct.

20 Can you explain that?---No, other than what I've repeatedly told you is what I was told, it was the banks needed it or the lawyer needed it for it to be finalised.

Okay. In the normal course of events one would have thought the matter's got to be finalised, they need some fees paid to finalise it?---Correct.

Is that correct?---Yes.

30 One would have thought a cheque would be written and the matter would then be finalised. That's what normal people would normally do, wouldn't they?---Correct.

And then it would be finalised. There might be a mistake with that, there's an additional amount that needs to be paid, again a cheque would be written and the thing would be finalised. Yet how many loans did you actually obtain from people at the Department?---About 10.

About 10?---Yes.

40 10 loans in cash that had to urgently be paid. Surely this was striking you as incredibly unusual?---Towards the end, yes, I have to admit it was.

Well, maybe three, four times, wasn't it striking you as incredibly unusual then?---Probably yes, in hindsight.

Not only were you being asked for money, it had to be in cash and had to be paid immediately?---And when I questioned about the cash, why does, like, why does it have to be today, it was because it was, I got the same standard

answer, that Jessica needed it today in the bank so that she could have it finalised the next day.

Yeah. And that, that would wash maybe the first time, maybe the second, even maybe the third possibly, what were you thinking when you're getting up to maybe the eighth time you're going to someone at work to borrow money? Jessica needs the money in the account to finalise this matter that was going to be finalised seven times earlier, she needs the money today, it has to be there, what were you thinking then, the seventh time?---I can't
10 recall what I was thinking but I just thought well, I probably started to have some sense of doubt of why - - -

Well, what about the eighth time, what were you thinking then when the cash - - -?---Oh, here we, here we go again basically.

Here we go again and so you thought there was what, some bottomless pit of money that you were just going to keep dipping - - -?---Well, towards the end I, I stopped it because I said I woke up one day and realised how much money I actually had borrowed and thought this has got to stop and I said I
20 can't help you any more.

Well, this was 10 separate loans all in the same circumstances urgent cash needed?---Correct.

Wasn't that giving you a bit of a pattern?---Yes, it was.

Yeah?---Yes.

And what was the pattern it was giving you?---The fact that the money
30 needs to be put into the account today and it all had to be in cash.

Did you think someone might have maybe a drug or gambling problem and needed cash urgently?---To be honest, no, I didn't, it didn't, it honestly did not occur to me that there would have been a drug or gambling problem.

Did you ever say to him at any stage why is this so urgent that I have to these people to go down to their bank accounts and get five and \$10,000 in cash out at a time?---Yes, I had, I had.

And what did he say to about that?---The same thing, that Jessica said that the, the lawyers needed the money, it was a consistent answer to every time I asked the question.
40

Is Jessica from your observations a very controlling sort of character?---I don't know about controlling, I wouldn't - - -

Would she control her father?---I've never actually seen her control her father but then, you know, it's a father/daughter relationship, there's a lot of

father/daughter relationships that are quite strong but I wouldn't call it controlling, I've never observed it as controlling, no.

In terms of the questions I've just asked you when you've suggested that you've asked your brother as to why cash is needed so urgently the answers just comes back well, that's what Jessica says has to be done so that's what has to be done?---I just - - -

It seems to be - - -?---Yes.

10

- - - the answer of the answer you're given?---I just assumed that he believed what his daughter was telling him.

But were you believing what his daughter was telling him?---Not, not towards the end, no. Initially yes, I have to admit I did.

At some point in time you must have thought none of this is true?---Yes, there was a point in time.

20 And was that the middle of last year?---Probably, yes.

That none of the story's true?---Well, I just, I, I wouldn't say it wasn't true, I just thought that it doesn't sound right, it's got to be more than what I've been told.

Right. Well, so you were still essentially believing it but thinking there's something more involved in it?---Yes, but by that time I hadn't, I had stopped lending him money long before that.

30 Now when you did you stop lending him money?---Oh, a good 12 months or so ago.

Towards the end of 2012?---Yes.

Do you remember what month it was?---No.

40 What was it that suddenly caused you to stop lending him money?---Well, one I couldn't financially afford it and two, when I calculated how much money I had actually lent, had been, sorry, people had lent me it sort of was like a slap in the face and thought oh, well, I need to do something about paying these people back because I didn't know when it was going to be resolved - - -

Surely you - - -?--- - - - plus financially I couldn't do it myself.

Surely you had some idea as you're going along how much money you're borrowing from people?---Yeah, I did but then when you calculate it all it was just like the actual amounts, individual amounts I had borrowed but

when I calculated it all to have a look at it I just thought oh, my god, I didn't realise I had borrowed so much.

Well, apart from the money you lent direct you said the first person lent you money, they approached you, this is at work?---Yes.

Because they saw you were upset?---That's right.

10 The next person you said you approached them directly?---Correct.

Because they were close to you?---Yes.

That particular person, how long had you worked with them?---Oh, more than 20 years.

20 Right. So the third time that your brother approached you or sorry, the, the occasion your brother approached you seeking more fund when you went to the third person, what happened at that time?---I can't remember whether that person saw me distressed as well, whether I actually approached them. I'm a little fuzzy about that, it was one or the other because some I did approach and some actually came to me and said why are you so distressed and they offered to help me.

And why did you approach them?---Because I thought that they might be able to help me and I definitely didn't put any pressure on anybody, I just sort of told them the situation and could they help me and if they couldn't it was fine.

30 But this was your brother's idea to approach them ultimately wasn't it?
---Yes.

You said the first one had approached you because you were upset, the second one you approached because it was a person that was close to you, after that the position is that your brother specifically asked you to approach other people at your work didn't you?---He said, can you, is there any chance you can ask anybody at work to help you.

40 Right. So it was essentially at the direction of your brother that you were then approaching the eight other people who advanced money?---Some of them yes, yes.

Did they ask, did they ask for the story as to where the money was going?
---I offered to tell them straight up, I told them straight up, this is the situation, are you able to help, if you can't that's fine and because most of them were long standing friends of mine they said, yes we'll help you.

THE COMMISSIONER: Well, they weren't helping you were they, they were helping your niece?---They were helping a family member, yes.

MR POLIN: Now there is one long standing friend at work of course you didn't approach, that's right isn't there?---One?

Yes. What about Mr Davy, you didn't approach him did you?---No.

And he was a long standing friend, he'd been a friend for twenty years or so?---No, I don't know whether I, yes a friend but not to the same degree as the others were, no.

10

He seems to call himself a long standing friend of yours?---Yes, yes.

You're not suggesting all of the ten people you approached were long standing twenty year old friends?---Half would be, half would be but half seven or eight years.

Right. So Mr Davy was someone who was a friend for much longer than many of the people you borrowed money from?---Correct.

20 I take it you made a conscious decision not to borrow money from him because he was your superior?---I just didn't think to approach him to be honest.

Why not?---I just never thought to approach him.

You approached many that were contract workers there, didn't you?---No, none of them were contract workers, all the people that I borrowed money from are all substantive employees.

30 But some who had been there for seven years or less?---Yes.

Yes. The case is that you didn't approach Mr Davy because he was your boss and you thought the whole thing might become unravelled, I take it that was the reason?---No, that's not the reason.

Then what's the reason?---I just didn't think to approach him, that was the end of, that's the only answer I can give because that's all it was.

40 Wouldn't have he been high up on the list if you were approaching people who were closest to you?---The people that I approached I felt were much closer to me personally than Paul Davy was.

He was also, he'd also have been someone who probably financially would have been more capable of lending money to you?---Probably but I did know that he had his own family issues at that time.

So you knew him well enough to know his family issues?---Not all of the intimately but just in passing comment we would just generally talk about family.

So did you tell him about your family issues at this particular time?---No, I did not.

So you were getting his family issues but not giving yours?---Well, when I say his family issues, it would only be things in passing.

10

You wanted to keep this whole things under wraps didn't you?---Not specifically.

Every single person you borrowed money from was subordinate to you, weren't they?---Yes, they were.

You didn't go to a single person who was at a higher level than you?---No.

20

Did you think that was because you thought it may be uncovered the fact you were borrowing money?---No, no.

You stopped borrowing money at the end of 2012?---That's right.

Because you'd had enough?---Yes.

I take it at that stage you were starting to think this was all rubbish you were being told a pack of lies?---I don't know that it was rubbish but doubts had started to enter into my mind, yes.

30

Did you ever think about your work position at that stage, at the end of 2012, you'd borrowed \$180,000 from subordinates, did you ever think at that some stage that was going to cause you a problem in the way you did your job?---Not at that point in time, no.

Why not?---Because I always thought it was a personal thing, it had nothing to do with my work, even though I had borrowed from people who I work with, as I said, the majority of them were personal friends.

40

Is that a line that your brother was spinning you, it's a personal thing?
---No, that's my own personal- - -

It just happens to coincide with the line that he's been spinning as well. You've heard that, haven't you?---Yes.

How on any rational view of it could you think that borrowing money, large amounts of money from many subordinate employees could simply just be a personal thing that you could sweep under the carpet?---It wasn't about sweeping it under the carpet.

Well, you swept it under the carpet, didn't you?---I don't think so.

When was the first time you told a single person at your work, other than the people you borrow money from, what you'd done?---Probably in early September, 2013.

So a year or so after you'd stopped borrowing money?---Yes.

- 10 That sounds like it's been swept under the carpet, doesn't it?---Well, I just didn't think it was anybody else's business.

Until ICAC suggested otherwise. Is that the case?---It was more about the fact that the people that had lent me the money were going to be interviewed by ICAC and I just felt that people needed to know.

The story was out by that stage, wasn't it?---What do you mean, the story was out?

- 20 Well, ICAC had come and had identified the people who had lent you money. Everyone at work knew what had happened?---Yes, but- - -

It was too late for you to come clean and tell anyone, wasn't it?---Well, I thought I'd do the right thing and at least tell Paul that this was happening, that, that staff members within our area were going to be interviewed by ICAC and the reason why.

- 30 When you say do the right thing and tell Paul, what do you mean by do the right thing?---Well, it was so that he would know that, that people within the office would be interviewed by ICAC and that he should know that, you know, this was happening.

It's all a little bit late, isn't it?---In hindsight, yes.

You were in a position supervising 15, 16 employees?---Correct.

Some of whom you've borrowed money from?---Correct.

- 40 How on any view of it from a point of view of perception and the decisions that you were going to make, how do you think it would be perceived that you could make an unbiased decision involving people who had lent you money?---I can see how outside perception would look but I know what I'm like and- - -

Like your brother, you would be impartial and you'd always make the decision unaffected by who may or may not have lent you money?
---Correct.

Because of course there were people who you asked money from who didn't lend you money as well?---That's right.

That's right?---Yes.

So what if you had to make a decision involving two subordinates, one had lent you money, one had said that they wouldn't lend you money?

---Decisions regarding what specifically?

10 Any decision at all?---Well, I wouldn't have- - -

Whether it's one of them could take holidays at a particular time and therefore one of them couldn't, how on any view of it would it be perceived that you could make an unbiased decision involving two subordinates, one of whom had lent you money, one of whom refused to lend you money?

20 ---I do it on what, whether one had - if you had two and one had already booked a trip, irrespective of who it was, and they could, you know, they said that they've already booked a holiday and they've paid for the holiday, I would probably favour them more than the other person, but I would have a discussion with both of them because that's how I've always worked, that I would have a discussion if there are two or more people who would like similar time off.

And would you come out and say, look, by the way, so you're aware that I'm making a decision that's favouring the person that lent me money, you should know that they lent me money and that I asked you for some money and you didn't lend it to me?---No, that, that wouldn't come into the- - -

30 Why wouldn't you tell them that?---I don't know that that would be a reason, well, why would it come up?

Well, the only person then who would know whether you've been impartial and unbiased is yourself?---Yes, I guess so.

So there's no accountability at all in your decision?---I don't know that having to tell one person my business with another officer as to the decision
- - -

40 You need to be accountable, don't you, for the decisions you make?
---Yes, I do.

As an employee effectively of this state, don't you?---Yes, yes.

Your decisions need to be transparent.---Correct.

Don't they?---Yes.

So all the people who pay taxes to pay your wage can see the decisions that you're making?---Correct.

Yet you tell us you would be making these decisions and the only person who would know whether you were being unbiased or impartial is yourself? ---I guess so.

Because you're not disclosing to anyone at all that you have a potential conflict of interest, that's correct isn't it?---Yes.

10

You didn't need to be taught at any sort of workshop things like that did you?---Well, regarding conflict of interest do you mean or - - -

Just the example that I've just given you, you didn't need to be taught that if you got into a position of conflict that needed to be disclosed?---Well, I wouldn't have thought that that particular scenario would be a conflict.

20

How on earth could be anything but a conflict, explain to me how it could be anything but a conflict?---Because I would be making the decision based on the relevant situation of both of those staff in regards to why they needed the leave.

And you're making that decision in circumstances where one staff member has lent you money, they've given you a benefit, given you a favour haven't they?---Yes.

The other person has in fact said, no I won't lend you money, had refused your request for a favour, haven't they?---Yes, yes, yes.

30

How could that not be anything but a conflict to be deciding anything relating to those two people?---Yes, I guess, yes, in that context it could be a conflict.

That's the only context I'm asking you.---Yes, yes.

You don't need to be a rocket scientist do you to understand that?---No, no.

You don't need to actually even read a code of conduct to understand that do you?---No, that's correct.

40

You don't need to go to a workshop to be taught that kind of thing, do you?--No.

That's exactly the position you're putting yourself in wasn't it?---Yes, but I probably didn't realise it at the time.

Why not? It's a pretty simple scenario isn't it?---The scenario's simple, yes, yes.

Well, that's the scenario you put yourself into didn't you? You realised that you put yourself into it by borrowing money from subordinates, you knew that that's what you were doing?---Not initially no, it didn't enter my head initially.

You didn't know that you were borrowing money from subordinates?---No, no, I knew I was borrowing money from subordinates but at the time I didn't associate it with being a conflicts of interest.

10

Doesn't it immediately, immediately the first thing it brings to mind is that it's going to cause you a problem with decision making amongst those that you did or did not borrow money from?---Not initially, no.

Why not? It's the first thing that would come to mind?---Probably because I just I don't normally work that way, I try to separate those sort of things away from work. I understand what you're saying regarding the conflicts of interest.

20 But if you don't work that way, all the more reason why when you in fact changed and did work this way that's borrow the money, you'd be aware that it would cause a problem?---May be later it occurred to me but not initially away.

You can call it a conflicts of interest, you can call it whatever you like, you can call it a benefit, you can get tied up on all the words but the fact of the matter is the first thing that would have crossed your mind borrowing money from multiple subordinates would be is this is going to cause me problems or potentially may cause me problems in the future when I have to make decisions involving these people?---Initially no but later on, yes, I have to admit it did cross my mind.

30

The next day it must cross your mind doesn't it?---I wouldn't say the next day but it was some time later and I thought, maybe not, it could be, it wasn't in the forefront of my mind.

May be not after the first loan, what after the second or third loan it must have crossed your mind?---It probably did, yes, I couldn't tell you exactly when but it did cross my mind.

40

Then of course, having crossed your mind at that point in time the first thing you would have thought, gee I've got myself into a bit of mess here I should go and tell someone so it doesn't cause a problem.---In hindsight, yes, I probably should have done that, y s.

But you kept it quiet, you deliberately kept it quiet?---Yep, as I said because I thought it was separate to work.

How much time did you actually need after you'd borrowed \$180,000 from ten subordinates, how much time did you actually need to process the fact that you'd done the wrong thing?---I couldn't give you an exact time frame.

Within a couple of weeks, a couple of months?---Probably a couple of months.

You didn't then go and report it did you?---No, I did not.

- 10 So you'd accepted you'd done the wrong thing, you then did the wrong thing again didn't you and you didn't report it?---What do you mean I did the wrong thing again?

Well - - -?---Repeatedly borrowing money is what - - -

No, you've, you've identified after you've lent the money to, oh, borrowed the money from 10 people, you said fairly soon after you understood that you'd done the wrong thing?---Yes.

- 20 It could cause problems with you dealing with those subordinates in the future?---It may have been a potential issue, yes.

Yeah. When you realised you'd done the wrong thing what you then needed to do was go and report to someone that you'd done the wrong thing?---Yes, I - - -

That's right?---Yes, yes.

- 30 And is that what you thought you needed to do at that point in time?---It wasn't, it wasn't something that I, I felt pressured to do.

Because you then did obviously the wrong thing again, you didn't go and report it?---No.

Right. So you compounded the problem at that stage?---Correct.

- 40 And you then went on right up until September 2013 making decisions and recommendations be they big or small involving the 10 people you borrowed money from, involving the people who you asked to borrow money who refused you, you went on and continued to make decisions and recommendations in relation to those people without telling anyone about the fact that you've borrowed the money, have sought to borrow the money? ---I didn't have any, out of the 10 there was only three within my team that I wouldn't, would have made decisions on, the rest of them I had no control over.

That's the three that you borrowed money from?---Yes.

How many others within your team did you ask for some money and they weren't able to lend it to you?---One or two I think.

So you then have five people, you have a third of your team who have been compromised?---Correct.

10 So effectively you then had problems making decisions, be they big or small in relation to one third of your team?---Not all decisions were solely down to me, I would discuss them with some of the senior client service officers, depending on the situation.

I understand that. Well, let's call them decisions and also recommendations that more senior people would act upon?---Right.

You went on making decisions and making recommendations in relation to a third of your team without telling them that you'd compromised a third of the team didn't you?---Yes.

20 And that was wrong, you shouldn't have done that should you?---In hindsight no, I should have.

Well, you knew back then that you knew fairly soon, you've told us, after you stopped borrowing the money that what you'd done was wrong?---But not all the decisions was always concentrated on those specific people, you know, it could have been a cross section of the whole, the whole team so - -

I understand - - -?--- - - - it wasn't consistent with those same people.

30 I understand that, you would have made decisions for your whole team? ---That's right.

I'm just dealing with the decisions and recommendations in relation to the five of them that have been compromised?---Right.

Well, it was inappropriate to be making those decisions and recommendations wasn't it?---Yes, in hindsight.

40 And you make recommendations in relation to [REDACTED], didn't you?---Yes.

You made recommendations in relation to her position being, is the expression upgraded or - - -?---Higher duties.

Higher duties?---Yes.

Is that correct?---But you also need to know that every time her period of extension was coming to a close I would ring Paul and say to Paul,

“[REDACTED]’s extension, should we be putting somebody else in there or what do you want me to do?” and most of the time he’d say no, keep her in there.

And would he say on occasions well, you’re running it there, what do you think, is she doing okay?---Yeah, he would always, and I’d say - - -

Yeah?--- - - - and I’d be honest, she was doing a good job.

Yeah, and so you’d say to him [REDACTED]’s doing a good job?---Yes.

10

And as a result of that recommendation every time you said that he would say, okay, we’ll extend the contract?---Yes, but he would also, I would also say that - ;’cause ours, every three months they have to be reviewed to see whether you give somebody else the opportunity to go in there but at the end of the three months I would say to him Paul, she’s coming to the end of the three months is there someone else we can rotate so it wasn’t like I was doing her - I wasn’t treating her any differently than I would have treated anybody else but I can see how it could be perceived.

20 How does anyone else know that, we’ve just got to accept your word for it, don’t we?---Well, Paul would know that the contract was ending and I would ask him, is there somebody else on the list that could go into that position.

At any time when you recommended [REDACTED] for an extension of the higher duties, which of course meant that she was getting paid more, wasn’t it? ---Yes, yes.

30 She was getting a financial benefit from obtaining the higher duties and getting an extension of the higher duties wasn’t she?---Correct.

Any time when you recommended to Paul that her period be extended that you said, by the way, you should know that I’ve borrowed money from her, she’s done me a favour?---No, I didn’t say anything to him about that.

40 Well, how does one then look at it? You’re recommending to someone who knows nothing about the loans that a person get an extension of higher duties and get paid more?---Because I was doing it based on the conversation I would, was having with Paul. I actually asked him up front, is there someone else. It wasn’t like I was saying to him she has to stay in that position, I want her to stay in that position, it was more about her time was coming to an end, is there someone else that needs to be rotated into that position to be given an opportunity, and the answer was no, and he would ask me that question, is she doing well, and I, I did it on face value. If she wasn’t doing well it didn’t matter to me whether she lent me the money or not and I would have had a conversation with her prior if her performance wasn’t up to scratch.

Now, for all we know [REDACTED] could have been quite hopeless at her job.
---Yes.

For all we know?---Yes.

But you could have been saying to Mr Davy, no, no, she's good, keep her in there at the higher wage?---I could have but- - -

10 That would have been a good payback, wouldn't it, for her having given you a favour in lending her the money?---If that was the case, yes, but that was not the case.

And she'd been told no doubt that her money was coming back very quickly, the next week or so?---Yes, yes.

And as each week went on I take it these people were wanting to get their money back?---Yes.

20 And so there was a bit of pressure being put on you to find out where the money was and when they were going to get it back?---That's right.

And a good way of of course keeping someone quiet who's putting pressure on you was to possibly give them a favour and move them into an extended position where they're getting paid more money than they normally would get?---It could be seen that way but that was not the case with [REDACTED]

But you're not stupid, are you, you understand?---No, I understand what you're saying.

30 You understand what conflicts of interest are about?---Yes.

That's exactly, someone on the outside looking in would think that that's probably what's happening?---Yes.

You're extending her contract, she's getting a financial benefit and you're doing it because she's given you a financial benefit?---But they would not know that I would have had that conversation with Paul about asking is there a rotation, someone to rotate.

40 THE COMMISSIONER: It doesn't matter what conversation you had though does it? You said a short time ago, only two questions ago you said, yes, someone else could have perceived that way?---That's right, yes.

Well, isn't that the only test, whether or not someone else might perceive it that way?---Yeah, I guess so, yes.

Right.

MR POLIN: And you didn't need to wait till now to know that, you knew it back then, didn't you?---Yeah, probably subconsciously, yes, I did.

You'd been a supervisory position for many many years, hadn't you?---Yes.

Now, working for the Department of Housing, I take it that people are coming applying for housing of all sorts?---Correct.

10 They want to upgrade the level of housing that they're in?---Ah, I don't deal with the tenancy side.

Right?---It's more of the application side.

What, what bit do you, what have you dealt with over the years, I take it you - - -?---Well, I've done tenancy management.

You've done all of it?---Yeah, I've done all, yeah.

20 And throughout your career at Department of Housing I take it you're aware that people firstly want to apply to get a Housing Commission home?
---Correct.

And others want to be upgraded from one place to a better place?---Not, it's not about upgrading to a better place, it could be - - -

A bigger place?---Depending on their family complement and their circumstances, yes.

30 And I take it you've been told over the years all sorts of wild stories and been given all sorts of wild reasons as to why people think they should be given a house from the Department of Housing?---Yes.

All sorts of wild stories and reasons about why people should get upgraded to bigger houses and the like?---Yes.

Yeah. So you're not someone who's unfamiliar with being told wild stories?---No, I guess I'm not.

40 What was happening when your brother was relating these wild stories to you?---I, I, I can't, I can't tell you anything that I haven't already told you, was initially for several months I believed what he had told me but when it kept dragging on, 12 months in, I started to have my doubts.

How long did the people get twelve months to give you these wild stories to obtain houses from The Housing Commission?---Some of them, no, not in all cases but some of them can be repetitive perhaps not twelve months long but it can be two or three months.

You can pick them up, you can pick them up pretty quickly can't you?---
Yes, yes.

But you're saying this particular wild story you couldn't pick up that quickly?---The only thing I can say is I trusted what my brother was telling me and it's family and emotion, emotions were running high everywhere. I can't give any other answer than that.

10 Why are emotions running high?---Because he was distressed and everybody was reflecting on everyone else.

Do you think he's got a gambling problem?---No, and if he does I'm not aware of it.

THE COMMISSIONER: But how would you know? If he's got a gambling problem he's not going to broadcast the fact that all of this money has gone into poker machines nor onto black jack tables is he?---No.

20 Well, how do you know?---Well, I don't know, I don't know.

Well, you still haven't confronted him directly about where this money's gone?---(No audible reply)

You haven't demanded that he be honest with you about where the money's gone?---No, not, not in a, in a stern face to face full on conversation, no.

30 Was Jessica a difficult adolescent growing up, did she cause problems in the family in your brother's family?---Yes, I believe she did for a while, most 16/18 year old I think she'd gone off the rails a little bit, I don't know all the context but I do know that she went off the rails a little bit.

But the family generally understood that she was difficult?---Yes.

So all of this time that your brother is telling you that Jessica says this and Jessica says that – it never once occurred to you that she might have been giving him a complete lie of a story, you never once said to your brother what have you done to check this out?---No, I had, I had on a couple of occasions I said, you know, where's the proof of all of this.

40 And what did he say?---Basically he just said he just keeps telling me this, she keeps telling me that.

But this, but this is a woman, a young woman who less than perhaps four or five years before this had been a difficult child within the family, a difficult adolescent?---Yes.

And not once did you ask to see Jessica or speak to her or be provided with any kind of document about where this was all going?---No, I did ask for documentation.

But you never got any?---Only one document an email sent to me - - -

MR POLIN: I'll come to that in a moment Commissioner.

10 But Jessica of course, wasn't it back in 2006 she'd been kidnapped hadn't she?---If she had, that's the first I've heard.

Is it?---Yes.

And what about her brother, had he ever been kidnapped?---Her brother?

Yes.---This is the first I'm hearing, kidnapped.

Okay. How close is your family?---We're fairly close.

20 Right. How close is that?---Well, we're not in each other's pockets but - - -

You would regularly get together and - - -?---Yes, family occasions and things like that.

Would that be every couple of weeks you'd have a weekend meal together or was it - - -?---No, it wouldn't be, no, no. Not once everybody had their own families and they grew it up it would be a lot less than that.

30 But if someone in the family was having very serious problems I take it the rest of the family would know about it?---Depended on the individual whether they wanted to, to let the rest of the family know what was going on in their immediate nucleus.

Does Jessica have a gambling problem?---I've since found out that she had but prior to that I had no idea.

Well, when you say you've since found out you've just because I said that at the start at this - - -?---That's right.

40 That's all you know?---That's all I knew.

I don't know Jessica.---I, I didn't have any idea up until then that she had a gambling problem.

Well, she might not, maybe it's your brother that's got the gambling problem?---Could very well be but I don't have proof of either.

Right. So you've got no idea?---No.

And of course people, if they have a gambling problem, they don't go telling anyone about it as the Commissioner just said to you, do they?
---No, not normally.

But normally people have got to look at a pattern of behaviour?---Yes.

You'd look at what they're doing and you'd think, gee, they've got a problem. Is that right?---Yes, yes.

10

Your brother has come to your repetitively seeking money, hasn't he?---
Yes.

He's come to you seeking cash money on an urgent basis, hasn't he?---Yes.

He's also gone to your 85 year old father and borrowed money off him, hasn't he?---Yes, yes.

20

He's arranged for your father to extend the mortgage on his home to get further money hasn't he?---Yes.

He's gone to your sister and got large amounts of money from her as well hasn't he?---Yes.

He's cashed in all his long service leave and the like hasn't he?---Yes.

He's gone to lots of other people and asked for money hasn't he?---Yes.

30

Doesn't that sound like someone who's got a gambling problem?---It could be but I can't tell you definitely 'cause I don't know.

Does it sound like it?---It could be but that thought never entered my head.

Why not?---Because I've never seen him gamble um, I - - -

Of course you wouldn't, he's not going to invite you down to the casino to do it with him is he?---No, no.

40

It's just ridiculous to suggest that you'd need to see him do it, isn't it?
---Well, I don't know if it's ridiculous but I mean I can't, I can't tell you something I don't know.

I know. People who have got these addictions tend to do it privately don't they?---Yes.

Alcoholics tend to drink privately and - - -?---Yes.

- - - try and not let people know that that's the problem?---Yes.

So he's not going to tell you, he's not going to invite you down to the casino with him is he?---No, I wouldn't have - - -

So you would look at the pattern of his behaviour - - -?---But he's not - - -

- - - wouldn't you?---Yes, but knowing him, knowing like through all of our lives growing up he's never - he's, he's always led a quiet simple life, he's never, he's never - - -

10

Okay?--- - - - had anything elaborate, like he's had no fancy cars, nothing like that that would suggest that, you know, that he had any sort of addiction.

And then there's sudden pattern of behaviour where totally out of character he's coming asking friends, associates, people who aren't even friends for money?---Correct.

20

Totally out of character to what you say he was like?---Yes, that's right.

Wasn't it the warning bells?---It was concerning, yes.

And yet you did nothing about it?---Well, I don't know that I didn't do anything about it, I stopped giving him money, stopped loaning money and I had, I said to him a few times, you know, this, it's not making sense.

30

Of course he could have a gambling problem which he had to some extent under control but never chose to share it with the rest of the family?---It could well be but I can't comment on that.

And then for some reason he started gambling in bigger amounts and started losing money?---Could well be, I wouldn't know.

It started compounding and he needed more and more money to cover it?---I don't know.

But that would be a story which would consistent with the pattern that you were hearing from him about the need for money.

40

MS McGLINCHEY: Commissioner, could I - sorry, I didn't want to interrupt the question. Commissioner, we've now had a couple of hours before lunch and now an hour and a half after lunch where most of the questions with the exception of the questions about loans from work colleagues and judgment around those issues, but the rest of the questions have been directed at why my client, whether she believed or, or not her brother's story. Now she's conceded that yes, she probably should have done a whole lot of things but unless it's going to be suggested that - the contrary, that she didn't actually believe it for some other reason - - -

THE COMMISSIONER: Well, we might, we might be coming to that but the point is that Counsel Assisting's entitled to test just exactly when and under what circumstances she became aware that the story may not have been true.

MS McGLINCHEY: Well, we've been there several times and we seem to be going around and around in circles.

10 THE COMMISSIONER: All right. Well - - -

MS McGLINCHEY: She's conceded all of those things, that there many times that she should have probably realised that the circumstances were not as they were, you know, being presented to her.

THE COMMISSIONER: Well, look, I think, I think there's been no questions thus far that hasn't been relevant and Counsel Assisting can obviously take the matter a bit further so we might move on but anyway the objection's noted.

20

MS McGLINCHEY: Thank you.

MR POLIN: At times did you hear that Jessica and your brother were going to receive millions of dollars as a result of this court case?---Yes, I was told. I wasn't given a figure but I said, I knew it was a substantial amount.

Millions of dollars?---There was millions but I couldn't tell you how much.

30 And you've heard of these Nigerian scam - - -?---I've read about it recently in the paper, yes.

Yeah. When you heard the story that your brother and Jessica were going to get millions of dollars didn't you immediately think it doesn't sound right? ---I didn't, it didn't associate that with the Nigerian scam, no.

40 Where did you think they were going to get the millions of dollars from? ---From what I was led to believe early that she was getting some form of compensation from the identity fraud that she had sued or had cleared her name or something along those lines and she was getting some form of compensation.

Getting some form of compensation is one thing, getting millions of dollars in compensation is another thing, isn't it?---Yes, yes. I thought it was a bit strange that there would be millions involved but then I didn't have the whole story.

Well, surely you'd be asking your brother or Jessica saying what's the millions of dollars for?---When, when I asked him he said basically it was from compensation, that's the story that I got.

From who?---From Joe.

Yeah, but who was going to pay the compensation?---I think the banks from memory, but I'm not 100 per cent sure.

- 10 And how would the banks, I take it you're not, it wasn't suggested that the banks had stolen her identity?---No, no, no, no.

Right. Well, why would the banks be being, paying her compensation because someone else stole her identity?---I don't know. I can't tell you 'cause I don't know.

Madam, you've worked in the Department of Housing for 25 years or more, I take it you're a reasonably intelligent person?---Yes.

- 20 You're being told that your brother and your niece were going to get millions of dollars in compensation paid by some banks. Australian banks? ---I'm assuming, yes. I wasn't given the specific bank.

Well, you were, weren't you? You were told at one stage one bank?---Oh, the, the National Bank, but that was regarding a cash box, not about, oh, actually, no, I lie, Commonwealth Bank, yeah, I think I was mentioned the Commonwealth Bank.

- 30 You were told about the Commonwealth Bank?---Yes.

And the figure you were told about the Commonwealth Bank, there were two figures weren't there, there was about \$47 million and \$42 million? ---I know there was one that was about \$40-odd which I thought was a bit strange.

Yeah. We'll come back to the National Australia Bank in a minute, but you were told that the Commonwealth Bank had been involved in a case with your niece?---Yes.

- 40 And that they were going to, or they had been ordered to pay damages in excess of \$40 million to your niece?---Yes.

Did you ever believe a single word of that?---Well, I had my doubts about the amount to be honest.

THE COMMISSIONER: Well, hang on a minute. The question was did you ever ever believe a word of it?---A word of the compensation?

MR POLIN: That she was getting in excess of \$40 million in compensation from the Commonwealth Bank?---I found it difficult to believe, yes.

That would have been the front page of the- - -?---Yes.

- - -Daily Telegraph, wouldn't it?---Yes, it would have.

That Jessica Camilleri had won a case against the Commonwealth Bank and was going to be paid damages of over \$40 million?---Yes, that's right.

10

It's an extraordinary story, isn't it?---Yes.

No one would believe it for a single moment, would they?---No, probably not.

Yet you're asking this Commission to believe that you in fact believed it? ---I don't know that I said I believe it but I was told that that was what the compensation was and I remember saying something along the lines of, wow, that's a lot for identity fraud, or something along those lines.

20

But why, again I'll ask you the question, just exercise the brain that you use at work and you've used at work for the last 25 years working for the Department of Housing. What rational basis could there be for the Commonwealth Bank to pay in excess of \$40 million to your niece because her identity had been stolen by persons unknown?---None really, no rationalisation that I can see.

So, and that would have been the case as soon as you heard that story? ---Yes.

30

Soon as you heard that story you knew that everything you were being told was a pack of lies, didn't you?---I don't know that it was a pack of lies but I had my doubts about whether I was being told the whole story, yes.

As soon as you're being told that this story, the story that you're being told involved your niece being paid \$40 million in damages, you knew the story was a pack of lies, didn't you?---Well, I knew that there was more to what I was being told and I probably wasn't being told the truth, yes.

40 No rational person would have believed the story at that time, would they? ---No.

You wouldn't have expected your brother for one moment to believe at that time that his daughter was going to be paid \$40 million or more in damages, would you?---No.

He's an intelligent person, isn't he?---Very much so.

Yeah, he's in a very high position he's had at RailCorp for a long period of time, hasn't he?---That's right.

He wouldn't for a moment have believed it, would he?---I don't, I can't speak for him but probably he would have, may have had his own doubts but I can't speak for him.

Well, he's the one that told you the story?---Yes.

10 So what did you think of that? You couldn't believe it, you wouldn't have expected him to believe it, so where did you go from there?---Well, basically that's when I started, I had already started paying people back and I just thought, well, if it comes through, that's a bonus for everybody, if it doesn't and there's no, no validity to it, then I'll just have to take responsibility and, and, and, and pay these people back.

Weren't you incredibly angry - - -?---I was.

20 - - - at your brother and your niece at that point in time?---I was probably more angry with my niece than my brother.

And the first thing you would have done is got on the phone to her, tracked her down and had it out with her?---I probably should have but I didn't.

Why not?---Because a lot of the, well all the conversations I had regarding this was via my brother.

30 You realised at that point of time you'd been scammed, hadn't you?---Probably had an idea yes, that that had happened.

They'd taken your money and they got you to take other people's money as well?---Yes.

You would have been wild with anger wouldn't you?---I was very angry, yes.

40 But you tell us you didn't do anything about it - I don't understand that personally, can you explain why you wouldn't do anything about it?---I didn't, well I tried to get in contact with Jessica but she was always very illusive - - -

THE COMMISSIONER: What about getting in the car and going to where she lived or where she worked for that matter?---I never thought of it to be honest, I just did everything through my brother.

MR POLIN: How much did you actually lend over and above what you got from people at work?---Probably I'm guessing, another \$80,000 or \$90,000 may be.

So you're nearly up to \$300,000 that you've been responsible for injecting into this scam yet you couldn't be bothered getting into your car and going to see the person who at this point in time you quite clearly knew had scammed you?---No, that's right.

Couldn't be bothered?---No, I wouldn't say I couldn't be bothered I just didn't do it and I can't explain why I just didn't do it.

- 10 At some point in time I think you said that you asked for some verification?
---That's right.

And that's when you said you were shown a document involving the Commonwealth Bank?---No, the National Bank.

Were you shown a document involving the Commonwealth Bank or were you just told about the money, the amount---I was told I think, I think I was told about the amount.

- 20 Were you ever shown a document involving the Commonwealth Bank?---I can't recall that I had from memory.

Might the witness be shown Exhibit 10. That's a letter from the Commonwealth Bank, do you see that?---No, I do recall being shown this but the amounts were actually blocked out.

Were blocked out?---Were blocked out.

- 30 Right. Was it a letter that was identical to that other than the amounts blocked out or was it just similar to that letter?---I think it was the same letter.

Do you see who the letter's address to?---Yes, to Jessica.

Right. Was it a letter addressed to Jessica or was it a letter addressed to your brother?---Well, it's got Jessica's name at the top.

No, no, I'm not asking you - - ?---Oh.

- 40 There's been some evidence that there was a similar letter to this one but that letter was similar in the way it looked but it was actually addressed to your brother, not to Jessica?---I would be lying if I told you if I took any notice of who it was addressed to, I was more concerned about the content and all I remember was that the amounts were blocked out.

When you say blocked out, what do you mean?---There was a texta through them so I couldn't read the amounts.

Right. So it was a letter similar to that - - -?---Yes.

But it had been altered by someone to take out the amounts referred to in line 2?---Yes, it wasn't, it was just, it was blacked out by texta both of the figures were blacked out.

But it is it the case at the time you were shown the letter you were told that the amount coming from the Commonwealth Bank was in excess of \$40 million?---Yes, yes.

10

And when was it that you were shown that letter and told that?---Probably a week or two prior to the 17, it might have been even a month before 17 December.

Before what?---17 December 2012.

What's the 17 December?---Where it says here that, due to be released to you anytime on or before 17 December 2012.

20 So it was what, early December or late November - - -?---Yes.

- - - that that letter was shown to you?---Yeah, I couldn't give you the exact date but I know it was getting close to that time, it was within a few weeks of that time.

30 And that was at a time where you pretty much didn't believe the story anyway did you because you'd stopped borrowing money?---Well, I was getting - yeah, I'd stopped borrowing money but then when I saw this I thought oh, great, but - I questioned the amount but because I couldn't see it I couldn't be sure of what I was being told. It was sort of, I was hoping then that this would actually resolve everything.

Right. That can be returned. Could I show you this document. You said that you were shown another document, shown another document involving the National Australia Bank, do you remember that?---Yes, that was actually emailed to me. Thanks. Yeah, this one was actually emailed to me.

That's got on the top corner, it's page 59 - - -

40 THE COMMISSIONER: 7.

MR POLIN: - - - 7, 598, do you see that?---(No Audible Reply)

And this is at a point in time when you challenged your brother about the, the loans?---Yeah, and I said I needed some proof.

So this is on 9 May, 2012 he sent you an email?---That's right.

And it appears that what he sent you is a copy of an email that has been sent to him by his daughter?---That's correct.

I take it when you got that email you didn't believe a word of it did you?
---Well, to be honest when I officially got it I, I sort of didn't look, I just looked at the content and thought, oh, okay, but I couldn't understand why they needed \$107,000 to be able to release this money.

10 So if you read the email, just read it quietly to yourself for a moment?
---Right.

What it purports to be is an email send from the National Australia Bank to Jessica?---That's right.

Jessica's then sent a copy to her father?---That's right.

And her father's sent a copy to you?---That's right.

20 Immediately looking at it you would have suspicions that that is not the kind of email that the National Australia Bank would send out would it?
---No, in hindsight, no.

Well, forget hindsight, just read the first paragraph, it just sounds like garbage doesn't it?---Yes.

That they're giving compensation because someone has been incorrectly charged due to an employee system or error. What on earth does that mean?
---I don't know, I'm not in the banking field, I can't explain it.

30 But you would have looked at this and thought that just looks like garbage?
---When I first got it I was more, more concerned about the amount that she was supposedly supposed to be receiving and that sort of buoyed me up a bit to think oh, good, then it's going to be resolved but then when I had a look at it a bit later then I thought well, hang on, where's the letterhead. Like I started to question a few things.

Well, immediately when you look at it there's not a logo or anything to be seen on in is there?---No, there's nothing, no, there's nothing.

40 But it is purporting to come from the National Australia Bank isn't it?
---That's right, that's right.

That's saying that they want \$107,000 in charges?---Yes.

And then what have they said, "We will release your contents including the following."?---That's right.

What does that mean, "We'll release your content," was it - - -?---I'm assuming it was in, in some form of a - - -

A safety deposit box?--- - - - safety - that was my assumption, yes.

And in this safety deposit box there was \$575,000 in cash?---Yes.

There's a cheque for \$250,000 to the payee, Ms Jessica Nicole Camilleri that's in this safety deposit box as well?---Correct.

10

There's also five rings?---Yes.

And two chains?---Yes.

There's writing documentation, what's writing documentation?---It could mean anything.

It doesn't make sense does it, it's not English. Writing documentation provided by the ASIO Australia, what's that supposed to mean?---I don't know I can't tell you, I don't know.

20

It doesn't actually make sense does it?---No, it's, it's not, not when you read it, no.

Well, that's all you can do, you can only read it?---Yeah.

That doesn't make sense does it?---No, no, it doesn't.

So when you ask for some proof you were told that Jessica or the National Australia Bank sorry were holding some sort of cashbox?---That was my understanding, yes.

30

That enclosed half a million dollars in cash?---Which I couldn't understand at the time where it came from but then I thought well, she might have got an inheritance from her husband's side of the family, I didn't know.

Great but in this there's 575,000 in cash?---Yeah, I know which I thought was extreme.

The Camilleri's seem to deal in cash without much concern, you go down to the bank and pull out \$5,000/\$10,000 in cash, wasn't it a concern that there was a box there with \$500,000 or more with cash in it?---Well I just thought it was her money.

40

Jessica's money?---Yes.

Where would she get that from?---I don't know that's what I'm saying, I questioned that and I thought perhaps she got an inheritance from someone

from, I knew it wasn't from outside of the family but from perhaps from her husband's side of the family.

And what's this \$250,000 cheque?---I couldn't comment on that because I don't know.

Well, you're the one reading it, this is the proof you've been given.---Yes.

10 What's a cheque doing in a safety deposit box?---Well, I thought that was strange but I thought, oh, I don't know what I thought.

What's the bank doing holding her rings and chains and jewellery and the like?---Because I know sometimes with people they've got security boxes they actually put some of their jewellery and stuff and in there - - -

Yes, they do.- - -?- - -for safe keeping and I just assumed that's what that was.

20 And when you want to go down and access the box you go and the bank gives you a key and you go and access it?---That's right.

And normally you pay a modest fee for having a box held by the bank each year?---That's right.

It's not \$107,000 that you pay is it?---No.

30 So on any view of this, you must have read this and thought, it's just rubbish?---When I first got it, I have to be honest, I only just saw the figures and I thought, oh well that's something but then later on when I looked at it again, I picked it to pieces, yes.

You had been asking for proof that her story was correct, weren't you?---Yes.

This is the document you were being given as the proof - - -?---Correct.

- - - that her story was correct.---Correct.

40 That's right. The story you were being given was that she'd has a case against the banks.---Yes.

They were supposed to be paying damages because somehow her identity had been stolen?---Yes.

And that she had to pay some legal fees and some bank charges to release the money that had been ordered to be paid?---Correct.

That's the story you wanted proof on?---Yes.

You then get this email saying that there's a safety deposit box that's got \$750,000, sorry \$575,000 in cash in it?---That's right.

It's got a \$250,000 cheque in it?---Yes.

It's got jewellery, rings and chains?---That's right.

It's got ASIO documents in it?---Yes.

10

That's got nothing to do with the story that you've been told?---No, this was a, this came in later and then I actually questioned well if she's got that money why can't she access that to pay the fees.

What do you mean this came in later?---Like the cash box, I wasn't aware of this what he classed as the cash box until much later into 2012.

So you were told a story about a cash box?---Yes.

20 Right.---Separate to the other legal and bank fees.

In addition to the money that she was getting in damages from the bank, she was also getting a cash box?---Yes.

Some sort of big prize was it?---Well I don't know what it was, it was something that she had but I couldn't understand why she couldn't access those funds to help her with the other funds.

30 Why was she getting the cash box from someone else or was this cash box her property?---My understanding was it was her property.

Right. How would your niece have got her hands on \$575,000 in cash?---I couldn't tell you, I don't know. I really don't know.

Right. So you would have immediately thought that is quite peculiar?---I did, I thought that's strange that she would have so much money in a cash box.

40 Yes.---But then I don't know what her personal finances are.

She's 23 years old?---I know she was young.

She works for the Ambulance Department does she?---I don't think she does anymore but she did at the time.

She did. And what sort of money do you think she was earning there?---I wouldn't, I don't know \$50,000/\$60,000 I don't know.

Yes, okay. So where do you think she might have got her hands on what's that \$825,000 to have in a safety deposit box at the age of 23?---I couldn't tell you because I don't know.

10 In circumstances where her father is coming to you having cashed in all his long service leave, your father has extended the mortgage on his own house and the person that they're suppose to be doing this for has got \$825,000 sitting in a bank?---I did question why wasn't this being able to be utilised and the response was that there was a freeze on it till everything else was resolved.

There's a freeze on her safety deposit box?---Which I thought was unusual because I assumed if it was a security box that you could get access to it.

This was clearly a fabricated story, wasn't it?---Yes, yes.

Well, soon as you saw it- -?---Yes.

20 - - -it was fabricated, wasn't it?---Yes.

Yet notwithstanding that you continued after this to borrow money- -? ---Yes, I did.

- - -from people at work, didn't you?---Yeah, for about another month or so I think.

Yeah?---Yeah.

30 You continue getting money from people for a story that you knew was fabricated?---Well, yes, probably, yes. I, I, I, not that it was fabricated but I had my suspicions, yes, correct.

Why on earth would you go to someone at work and ask them to lend money based on a story that you knew or reasonably suspected to be fabricated?---Probably because I wanted to believe that the story was true.

But you knew or reasonably suspected that it wasn't?---Yeah, I had my suspicions but I wasn't 100 per cent sure.

40 And when you got this email I suppose that probably took you nearly to 100 per cent, didn't it?---Oh, fairly close to the fact that, yeah, that there might have been some issues around the validity (sic) of what I've been told.

Fairly close to. What in that email gave you any support or encouragement that the stories you were being told were true, any of it?---Probably and naïvely, probably the ASIO bit at the bottom, because I thought if it was an international scam I know ASIO has, I don't know a lot about ASIO but I know that ASIO sometimes get, it's involved in international dealings and

- - -

But you've been told one story about her getting damages from a bank and having to pay fees and charges then I take it out of the blue suddenly you're told she's got a cashbox?---Yes.

And that if you just give a little bit more money we can access the cashbox which will solve all the problems?---Correct.

- 10 And this is the email about the cashbox. And as soon as you read this you knew the cashbox was a load of nonsense, didn't you?---Not straightaway, I have to admit, but soon after, yes. When I read it, kept rereading it, then I realised this, this isn't, there's something not quite right with this.

As soon as you read the last sentence in it, which says, "Please find attached the detailed statements," which weren't of course attached, were they?---No. And I asked where they were and I was told that I couldn't get access to them.

- 20 As soon as you'd finished reading that email you knew the whole was just utter nonsense, didn't you? You've agreed with that just a moment ago? ---Yes.

And yet notwithstanding that you continued on borrowing money from people at work because your brother was asking you to do it?---Yes.

You must have known that that was incredibly improper to be doing that? ---Probably subconsciously, but as I said before, I was dealing more on emotion and- - -

- 30 THE COMMISSIONER: Ms Attard, look, I don't know what you mean by subconsciously. A moment ago you agreed with Counsel that the minute you absorbed the contents of that email you knew that it was essentially fraudulent and you knew that the story you had been told about bank charges and solicitors' fees and damages was also probably a fabrication. Now, now, that, you agreed with Counsel a moment ago that that was what you accepted when you looked at that email?---Yes.

- 40 Well, there can be nothing subconscious about it, can there? Knowing that that story was false, knowing that you were being essentially led along and given false stories about where this money was going, knowing that, you continued to ask your subordinates for loans. That's what's being put to you?---Yes.

MR POLIN: And it's correct, isn't it?---Yes.

And the fact is as far as you're aware the story hasn't changed?---No.

And it's just as unbelievable today as it was back then?---Yes.

Excuse me. Yep. They're the questions, Commissioner.

THE COMMISSIONER: Mr Chee, any questions?

MR CHEE: No questions, Commissioner.

10 MR POLIN: Sorry Commissioner, could I tender that page - - -

THE COMMISSIONER: Okay, sorry.

MR POLIN: 597- 598.

THE COMMISSIONER: Exhibit 30.

20 **#EXHIBIT 30 – EMAIL FROM JOE CAMILLERI TO CARMEN
ATTARD FORWARDING EMAIL FROM JESSICA CAMILLERI
DATED 9 MAY 2012**

THE COMMISSIONER: Ms McGlinchey, any questions?

MS McGLINCHEY: Yes, Commissioner, just a few.

30 Mrs Attard, you've told The Commission that the first time that you heard
that gambling was involved was on the first day of these hearings when you
read Counsel Assisting's address, is that correct?---That's correct.

Right. Was that the first time that you formed a belief that the money was
not going to come back from your brother?---Yes, that's when it really hit
home.

Up until that time did you believe and I think that you've told The
Commissioner, that a miracle would happen and that the money somehow
would come back to you, is that correct?---That's correct.

40 And that you would be able to repay the people who have lent you money
for your brother from that money that came back to you?---That's correct.

And when you heard from Counsel Assisting's address that gambling was
involved you realised that that was a very thin hope and that it probably
wasn't true?---That's correct.

Okay. Now Counsel Assisting's put to you many, many questions this
afternoon which have the effect of suggesting it was quite ridiculous for you
to believe the story that your brother was telling you?---Correct.

And that there were various stories and they changed over time?---Correct.

So what do you say now about your – and you would agree that hearing it in the light of day here it does sound ridiculous?---Yes, it does.

10 So what do you say, what's your version of why you believe – why you did in fact believe those stories as they went along?---Well, as I said previously I trusted my brother, he's never ever approached me or anybody else that I'm aware of for any financial assistance prior. He's, you know, worked his way up in RailCorp over 37 years from an apprentice right up through to general manager. He lives within means normally, he doesn't have a flash car or anything like that and it was totally out of character but he's, you know, he's my brother and I just wanted to help, help a family member out basically.

20 Your brother, as far as you have known, has very sober moderate habits?
---Yes, he doesn't like, he's a social drinker, as far as I'm aware, he doesn't have any gambling issues, he's not a big socialiser outside of family occasions, you know, he just lives a normal simple life.

I don't think he even smokes.---No, he doesn't smoke, no.

So you have had no, and also you come from a very humble background, is that the case?---Yes, yes, we do.

Quite, I don't mean to be derogatory, but quite poor migrant family?---Yes poor migrant family, yes.

30 None of your siblings or yourself have been to university?---No, none of us.

Right. But regardless of that your, you've done quite well and your brother's done extremely well?---Extremely well, yes.

He's worked himself up to a very responsible position?---Yes, he has.

And both your parents and your siblings and you must have been very proud?---Yes, definitely.

40 All right. And also quite impressed with his ability to do that?---Yes.

He must have worked very, very hard to get where he did?---He did, he did, to get where he is, was.

So given, he would have had a very influential position in your family?
---Yes.

Right. Do you think that that played into why you were less reluctant, you were more reluctant to question him in any real sense in what was going on?---To a degree, yes I would agree with that.

And he's your brother?---Yes.

All right. And to see him distressed must have been quite difficult for you?--Yes, to see any family member distressed under any circumstances distresses me.

10

Leading up to this, these events, the first time that he approached you for a loan which I think is when you first saw that he was distressed, when he first contacted you?---Yes.

Had you ever known him to be in that state before?---No, no, it was totally out of character, he was always in control.

All right. Now you have told The Commission that you borrowed I think roughly \$180,000 from people at your work?---Correct.

20

And you started to make attempts to repay the money well before ICAC became involved?---Oh yes, yes, definitely.

When did you start making those efforts?---Probably towards the end of October 2012, sorry around September/October 2012 approximately.

30

And is that because you believe that those people lent you the money and that it's your personal responsibility to- - -?---It's, yeah, I feel it's my responsibility, even though I didn't gain any benefit it was because of me and I felt responsible so I thought I would do the right thing and start making repayments until I thought that this lump sum of money was going to come through. Now that I know that's not the case - - -

And it's your intention to continue making those payment?---Yes, I've made a commitment to all of them that even if it takes me years, each one of them will get their money back.

40

And you've repaid about half?---I've repaid about half and I'm on a repayment plan with a couple of people to pay them off every fortnight.

And you've, I think that you've paid, you're paying some out of your regular salary but you've also borrowed money to repay back- - -?---Yes, I've taken out two large personal loans to try and help to repay some of those debts back.

And you've spoken to the people that you owe money to and they, and you have assured them that it's an obligation you have and you will honour that obligation?---Yes, definitely.

Right. And would you say that on the whole people accept that explanation from you?---They have, and nearly all of them have been very supportive to, towards me through this whole process.

All right. Now, the whole process has been personally devastating financially to you and your family?---Yes.

Your immediate family?---Correct.

10

Would it be fair to say that your house is in jeopardy?---Yes, it is.

Right. Because you had to increase your mortgage?---That's correct, and on top of taking out the extra loans on top has put a financial strain on us.

All right. It's fair to say that the money that came to you from people that you work for, you didn't get any personal benefit, you didn't use any of that money for yourself?---Not, not one red cent, no.

20 It all just passed virtually through you to your brother?---Yes, correct.

Well, to Jessica?---Correct.

Right. As well as the financial jeopardy that this, these matters has put you in, it's also had quite a toll on your personal health?---Yes, it has.

You have a chronic illness?---Yes, I do.

30 Can you tell the Commission what that is?---I have Multiple Sclerosis.

And how long have you had that for?---13 years.

All right. And you're on a drug trial and have been for a while?---That's correct.

Right. And is one of the factors which affects or is suggested to you as affecting the, the development of that illness, stress is a very large factor in all of that?---It's one of the factors that I have to try and avoid so that my symptoms don't exasperate. (sic)

40

Right?---But unfortunately through this whole process it's actually made some of my symptoms worse.

And I think that you've told me that you've lost an enormous amount of weight through this whole process as well?---About 10 kilos.

Right. And your family relationships have also been affected?---Yes, they have.

All right. I don't think it would be unfair to say that your husband is extremely unhappy about the turn of events?---That would be putting it mildly.

You should be close to retirement and in fact you have enormous debts?
---That's right.

10 Right. And I know you don't really want to go into this but your children don't talk to you now?---No.

Just going back to some work issues. On this Code of Conduct issue, you, it's tendered in these proceedings, can you tell the Commission when was the last time you actually had any training in the Code of Conduct?
---Any formal training would be well in excess of 10 years plus.

20 All right. Is it the case that in the Department before the amalgamation people received formal training in the Code of Conduct when they were inducted?---Yes, usually that's when the Code of Conduct was done, when new employees came on board there's an induction period and, and there's about a half a day I think training on Code of Conduct.

But because you were such a longstanding employee you wouldn't have- - -
?---No.

That would have been long- - -?---No.

- - -long in the past and you haven't had any formal training in that since that time?---That's correct.
30

All right. Any other processes to familiarise people with the Code of Conduct at all that you've taken part in?---No, but there is a current one under the new governance of Department of Family and Community Services where there is a current e-learning, but basically that's like a 10, 15-minute session and then there's only about 10 questions which are very vague and very broad with no specifics regarding anything, it's more about just what you've read, but there's no specifics in relation to the questions.

40 All right. Have you undertaken that?---No, not yet. We've got a time period to do that, about three months.

That's a, that's a very recent thing that's just come in?---Yes, it's very recent, yes.

Now you've conceded to Counsel Assisting that there are certainly questions of perceived conflict of interest?---Yes.

Now as far as you understand it in your actions do you consider that you've ever given any favour or treated favourably any of your reports in a manner that's more beneficial to them on account of them lending you money?
---Definitely not.

THE COMMISSIONER: Ms McGlinchey, it doesn't really matter whether she has or she hasn't, I mean, that's the problem. The problem is, the problem is without disclosure no one's in the position to know how transparent her activities have been. I mean, she's already given evidence
10 that she didn't consider herself to have done favours to anyone but in a sense - - -

MS McGLINCHEY: Yes, yes.

THE COMMISSIONER: - - - that's really neither here nor there is it?

MS McGLINCHEY: Oh, I'm happy with that Commissioner as long as we're only talking about perceived conflict of interest. I - - -

20 THE COMMISSIONER: I don't understand anyone to have suggested that she has done anyone any favours.

MS McGLINCHEY: All right. All right. Well, I'm happy to leave it at that, Commissioner, thank you.

THE COMMISSIONER: Ms Attard, in the interests of procedural fairness I just want to make it perfectly clear to you what the ramifications of your evidence is because I don't want you to be shocked in the event that the Commission reaches certain conclusions. You see Exhibit 30 which is that
30 email of 9 May, 2012 that you were shown and that you say was provided to you by your brother by way of some proof in respect of the reasons that he was providing for why he needed this money, that's, that was the subject of the last few questions that Counsel asked you, you understand that don't you?---Yes, yes.

And, and you've acknowledged that if not when you looked at the document but certainly within a very short space of time after you said you had reread it a number of times you accepted then and there that that was probably a false document and that therefore the reasons and explanations that your
40 brother had been giving to you all along you knew then and there were probably false, now you've acknowledged that haven't you?---Yes.

You've then acknowledged that even after you came to that realisation you continued to go to staff and ask them for money on behalf of your brother?
---Yeah, and some, in some instances they actually offered to help me.

Right. Now here comes the question that I want you to be aware of which perhaps has not been asked by way of closure but in going to staff after you

received that email and asking them for money or, or accepting the money that they offered you did so by way of repeating an explanation or an account that you knew to be false, do you understand that?---In hindsight yes, yes, yes.

10 No, no, no, no, not in hindsight. You said - this is the point I'm making - you said you understood very soon after 9 May, 2012 that your brother was giving you a false explanation for needing these funds so what's implicit in that answer is that you sought money after that email was received by you from staff and you repeated an account to them, a reason for the, for the necessity for the loans that you knew to be false. Doesn't that logically follow?---Yes, it does.

20 And you did that, did you not, because you knew your brother was in trouble, you didn't know what it was, you didn't know what the explanation really was but you did it because he was in trouble and you didn't really care how you got the money to him, isn't that the reason?---Well, I wouldn't say I wouldn't care how I got the money, I was concerned about how I got the money.

But you needed the money because you knew he was in, he was in some sort of trouble?---Well, I, I didn't know it was him specifically, I still thought it was Jessica at that time.

All right. Anything arising?

MR POLIN: Commissioner, there was just one matter.

30 I've been asking you questions for two, three, nearly four hours today haven't I?---Yes, you have.

Your counsel asked you one question about your health and you got visibly upset about it?---Yes.

40 I've been asking you questions and repeatedly about the fact that you've been told false stories, that you were asking for money for people on the basis of those false stories, you never seemed to get upset about it, why is that?---Because my personal health is not something that I like to talk publicly about.

You've lost hundreds of thousands of dollars you say?---Probably because I've already shed tears over the last six months about it.

It doesn't seem to concern you though as you're giving evidence?---It does concern me, believe it, it's just not outwardly, that's all.

Nothing further, Commissioner.

THE COMMISSIONER: Yes, thank you, Ms Attard, you can step down
you're excused?---Thank you.

THE WITNESS EXCUSED

[4.00pm]

THE COMMISSIONER: I note the time. We'll adjourn the proceedings to
10.00am tomorrow morning, thank you.

10

AT 4.00PM THE MATTER WAS ADJOURNED ACCORDINGLY

[4.00PM]