

TARLOPUB01083
16/06/2017

TARLO
pp 01083-01114

PUBLIC
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INDEPENDENT COMMISSION AGAINST CORRUPTION

THE HONOURABLE REGINALD BLANCH AM QC

PUBLIC HEARING

OPERATION TARLO

Reference: Operation E15/1982

TRANSCRIPT OF PROCEEDINGS

AT SYDNEY

ON FRIDAY 16 JUNE, 2017

AT 12.15PM

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

THE COMMISSIONER: Yes, Mr Rajalingam.

MR RAJALINGAM: Commissioner, Ms Audrey Lai is in the witness box.

MS LAI: Hello, how are you?

THE COMMISSIONER: Ms Lai. Thank you.

10 MS HUGHES: Commissioner, I've been given leave to appear on behalf of Ms Lai and I can indicate she will be seeking a declaration.

THE COMMISSIONER: Thank you. And, Ms Lai, I will make a declaration for your protection.

MS LAI: Yeah.

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

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

MS LAI: Ah hmm. Thank you.

40 THE COMMISSIONER: Are there any other orders that - - -

MR RAJALINGAM: No, Commissioner.

THE COMMISSIONER: No. And, Ms Lai, will you take an oath or an affirmation?

MS LAI: Oh, no, I'll take an oath because I'm a Christian, yeah.

THE COMMISSIONER: Okay.

MS LAI: Ah hmm.

THE COMMISSIONER: Thank you. Just take a seat there, would you?
---Yeah, thank you.

Mr Rajalingam, before we start, does anyone have a problem if we sit till half past 1.00 and only have half an hour for lunch?

10 MR RAJALINGAM: Not at all, not on my part.

MR CHHABRA: I certainly don't.

THE COMMISSIONER: Certainly. Transcription staff?

MONITOR: Not a problem.

THE COMMISSIONER: Not a problem. All right. Thank you.

20 THE WITNESS: Okay. Good.

MR RAJALINGAM: Thank you, Commissioner.

May you state your full name for the record?---Audrey, Kwan Ying Lai, my Chinese name.

And how do you spell your last name?---L-a-i.

30 Are you retired now?---Yes, I am, since July last year, ah hmm.

And where were you working?---I was working with Centrelink, yeah, our lovely Department of Human Services.

Yes. And how long were you working for Centrelink?---Thirty-three years.

40 And did you move about the Department of Human Services while you were working for them in different roles?---Ah, yes, I, I had, I started in Fairfield, it was the old Commonwealth Employment Service, I don't know if you people remember, before the Job Network, so I started with CES, so I was with them for like, seven, eight years and then I changed to Department of Social Security as the jobs education and training advisor and I was at Bankstown for about hmm, let's say eight years as well, and then after that I came into my role as the multicultural services officer with Department of Human Services, Centrelink now, it changed, the bureaucracy changed, and I've been there for the last let's say 15 years of my, the last part of my career, yeah.

And that was your last role prior to retiring, correct?---That's correct, yeah.

Were you involved with the Immigrant Women's Health Service?---Yes. At first I was a normal board member and later I became the chairperson.

When did you become involved with IWHS, do you know what year it was?---I don't remember exactly but I think it is about 10 years ago since I came to the Fairfield Centrelink.

10 And was it the case that you were also involved with NESH, the Non English Speaking Housing scheme?---That's correct, yes.

And for how long have you been with NESH?---It was also in Fairfield area. I think I was actually recruited to be the board member at NESH about 13 years ago so it's actually longer.

So you were originally at NESH first?---Yes, that's correct.

And then you went to the Immigrant Women's Health Service?---Mmm.

20 Can I ask you how you became involved with NESH?---The - - -

As in how did you end up with the job?---Yeah, sure, definitely. Well, as the multicultural services officer at Centrelink at Fairfield my role is to engage with the different CALD, culturally and linguistically diverse communities in my local Fairfield area and during my time I met Mira Mitrovic who is – who was the manager of the NESH services at that time 13 years ago and she saw that I was, you know, respected in the community by the other people – other community workers and also she wanted someone from CALD background so I'm also Chinese so she said oh, you would be perfect to join our NESH board. So I mean I had no objections because at that time my role was trying to help the CALD community and help them to get access and equity, you know.

30

Yeah.---So it didn't really clash with my role as such. But I always did the NESH role at first as a normal board member and then later became the secretary and then only later I became the, the, not the manager, the chairperson, yeah.

40 Was there a recruitment process when you first started with NESH as a board member?---Yes. Well, just the – I had to fill in the form to say what I could bring to the organisation so at the AGM, annual general meeting for NESH I filled in the application form and it was all approved at the AGM meeting.

Do you recall any election at a board meeting to – for you to become a board member, was there anything like that?---Yes, at, at the AGM they always say oh, the following people were nominated and are there any objections. So whoever attended that AGM meeting, you know, has the

opportunity if they object to any members that are being nominated. So there was no objection so it was carried and we had seven members of the board.

And do I understand it correctly that you were never employed by IWHS or NESH and paid for your work?---Oh, no, no, because that's why I – I'm very careful because my paid job was with Centrelink, Department of Human Services, so I, I never, you know, combined the two because that was always usually after 5.00 or after hours, you know.

10

So was it the case that while you were involved with NESH and IWHS you were actually working full-time somewhere else at Centrelink?---Yes, I was working - - -

And so - - -?--- - - - up until July as I said when I retired last year.

And your duties as a board member for both IWHS and NESH were in addition to your full-time job weren't they?---That's correct.

20 I see.---Yeah.

When you were at NESH were you originally under the management of Ms Mitrovic I think you said?---That's correct, yeah.

Did she give you any training to be on a board when she was there?---Yes, she did. She did, yeah.

And what was that – what did that include?---Um - - -

30 What was that – what did that involve?---Well, the – I mean the roles, you know, was the chairperson, the secretary and the treasurer. Accountabilities like the, you know, how it flows up.

Yeah.---The accountabilities. The, the – I guess the, the frequency of the meetings that we, that we needed to discuss the issues.

Did you have any prior experience before joining the NESH board, any prior board experience prior to NESH?---I was, yeah, I was with another women's refuge - - -

40

What was that called?--- - - - which is no longer funded.

What was it called?---Oh gosh.

I think you told the - - -?---Yeah.

- - - Commission in a statement it was Mimosa?---That's, that's correct.

Is that the one, Mimosa House?---No memory, mental blank. Mimosa House, that's correct, yes. You have it in my statement.

All right?---I'm a bit nervous, so sorry about that.

It's all right?---Yeah.

Just take your time and if you - - -?---So that was like um - - -

10 You've got a glass of water there, just - - -?---Yeah, I, I was there for three years.

Ah hmm?---Again, you know, I was working in the local area and, you know, I was working with CALD community so - - -

All right?---Yeah. So three years I think um, yeah.

20 How did you come to know Ms Sharobeem?---Through my role first as the Centrelink multicultural services officer because as I said, my role was to engage with the local community organisations in the area and so she had a lot of courses and she had a lot of support groups that were suitable for my clients to be referred to, so I did exchange details with her so that I could refer clients to her groups and also she could also engage with me if there was any Centrelink issues that were affecting her clients because they have a lot of clients that are undergoing domestic violence and needed some Centrelink payment or, so she would also return back clients to me when needed. So it started off through my normal paid work - - -

30 Yes?--- - - - position, yeah.

And was she at the Immigrant Women's Health Service when you met her originally?---Yes, yes.

I see?---Yeah, so about 10 years ago I think, yeah, mmm.

And was it the case that Ms Sharobeem became involved with NESH at some stage?---Yes.

40 When was that, do you remember?---'Cause I think she joined later because I was with NESH for 13 years, so I think roughly - I'm not completely sure but I think roughly about seven years ago maybe, she was - - -

I think you said 2010 in your statement. Is that fair, about 2010?---Oh, yeah, no, that sounds like seven then. Oh, okay.

That's seven years?---Yeah, yeah, yeah. So she was, some of our old board members from NESH, you know, wanted to leave and so we needed some new members, so she was recruited by Mira Mitrovic at that time who was

the manager of NESH to join to fill the gap in the number of members that we needed, seven, mmm.

At some stage did Mira Mitrovic leave NESH?---Yes, yes, she did. Yeah, she took sort of like a redundancy type thing, yeah.

Ah hmm. What happened after Ms Mira Mitrovic left?---Ah, we had another interim manager, her name was Marianna Bulovic.

10 Yes. And what happened – for how long was she in charge of NESH?
---Marianna was there maybe, maybe three years I think.

All right. Did Ms Sharobeem come to be the CEO of NESH at some stage?
---Ah, yes, she did, yes.

And how did that come about?---Oh, at that time there were the Staying Home Going Home tenders from FACSIA, so we, NESH was one of the – I mean I think all the women’s refuges and accommodation places had to reapply and tender for the funding, so at that stage NESH lost the funding
20 for the housing for accommodating the women - - -

Can I stop you there?---Oh.

Was that in about 2013 when NESH lost the funding?---Yes.

All right. Continue.---Yes. Yeah.

So NESH lost the funding?---And then we got a different funding. So we had to apply for a different funding. So that’s where Eman, I think she was
30 the chairperson at that time, so - - -

And was she the chairperson from, was it 2013 to about 2015?---Yeah.

Okay.---Yeah.

All right.---So she applied for some, they had a special funding for people who missed out on the Going Home Staying Home funding. So NESH was successful in getting - - -

40 The secondary funding?---Yes. It was called support. Which we had no longer the houses to house the women who were having domestic violence, but we retained the support function so NESH could still support these women and help them to get, you know, into other refuges or get into Department of Housing or to get into private accommodation. So they only had the support role but they had no houses of their own. Yeah.

All right.---So that secondary funding was I think roughly that was the time when Eman asked the board whether she should become, she could become

the CEO of both organisations so that would have a better chance of getting the funding. Rather than applying only as NESH, she wanted to have the strength of Immigrant Women's Health, NESH and FIRWN, which was the Fairfield Immigrant Refugee Women's Network. So they joined the three organisations to make the funding a bit stronger. So that was when she asked the IWHS board whether she could amalgamate the three organisations and be given the title of the CEO of both organisations.

10 Right. And do you recall that in about September 2013 there was some sort of memorandum of understanding that was talked about?---Yes, yes.

Do you know whose – was it, well, do you know whose idea the memorandum of understanding was?---It was Eman's idea but the board did okay it. Like, yeah, it was passed.

I suppose the question first of all is whose idea was it. And your answer is - - -?---It was Eman Sharobeem's idea.

20 I'll just stop you there. I'm going to show you the document. We'll skip ahead quickly. We'll get to it.---Okay, sure, no problem.

We'll get to that.---Yeah, ah hmm.

You said that she was a chairperson and later became the CEO. Is that fair?---Mmm. Mmm.

30 Would the NESH constitution, did you know, allow for that to happen, for an employee to also be a member?---I don't – I think it, it did allow it at some time when I first joined NESH, but I believe it was changed after Mira, like, towards the end when she, when she was going to leave. It was changed so that they couldn't be, they couldn't be both, yeah, mmm.

So it was changed so it couldn't be both?---Yeah, they shouldn't have been - - -

A CEO and a chairperson at the same time?---Yeah, that's right.

So when Ms Sharobeem - - -?---So she shouldn't have - - -

40 She shouldn't have been both of those, had both of those roles, correct, in 2014?---Yeah.

Technically speaking.---Yes. Technically speaking.

It doesn't make sense, does it?---She shouldn't have been the CEO and a board member or chairperson of NESH at that time. She did ask me to become the chairperson of NESH at the last year. I think – when did I – I

think it was the, at the end of 2015. So then when the investigations FACSIA who received the anonymous letter from the ICAC.

Yes, yes, yes.---It was passed on.

Yes.---The anonymous letter was passed on from the ICAC to FACSIA manager was Elizabeth or Libby Gallagher. So Elizabeth Gallagher called for a board meeting to explain the letter and that was then, you know, then I became the chairperson at that time.

10

I see. All right.---Because we realised that it wasn't - - -

Appropriate.--- - - - correct - - -

Yes.--- - - - that she should be both, yeah.

All right.---Yeah.

20

Just – we'll come back to the (not transcribable) in a moment. Pardon me. But – so Ms Sharobeem became involved with NESH.---Mmm.

Did you also become involved with the Immigrant Women's Health Service after she became involved with NESH or was that before?---No, I was with NESH before because I was, was under - - -

Yes, you were with NESH before and then – so you were with NESH then you met Eman - - -?---And then about three years later I became recruited to the Immigrant Women's Health.

30

By who?---By, by Eman Sharobeem.

Yes. I see.---So as I said the time frame roughly is, like 13 years I was with NESH and 10 years with Immigrant Women's Health Service.

I see.---So three years later.

So in, in those three years you met Ms Sharobeem, you got to know her and then three years after starting with NESH you start at IWHS. Correct?

---That's correct, yeah.

40

All right. And when you started at the IWHS did Ms Sharobeem – she was the CEO. Correct?---Yeah. She was called the - - -

Yes.--- - - - the manager - - -

Okay.--- - - - at that time so - - -

Did she provide you any training to be a board member with she was the manager or the CEO of IWHS, Ms Sharobeem?---For IWHS, no, I didn't get any training, no.

All right.---But I don't know whether she just assumed that I knew because I had been with - - -

Previous.--- - - - other organisations, yeah.

10 When you were with IWHS were you required to sign any agreements for funding?---Yes, I did that have to sign them, yeah.

And did you know you were signing agreements with the Department of Health?---Yes.

Were you aware of the nature of the agreements that you were signing, the obligations and the duties of IWHS roughly?---Yes, roughly. I did read - - -

20 Yeah.--- - - - through the agreements before I signed them.

And did you know roughly speaking what the organisation's responsibility was with respect to funds as well?---Yes.

Yeah.---Yeah.

When you were at the service what – you were on the board.---Mmm.

30 What role did you take on the board initially of IWHS?---Initially I was, I was just the secretary, yeah.

And then how long were you the secretary?---Maybe about – I think about five years and I think – and then I became - - -

Chairperson.--- - - - the chairperson for five years.

All right. Did you - - -?---Roughly like that, yeah.

40 When you were on the board of IWHS you said you knew that the organisation was receiving funds from Department of Health.---That's right.

Did you know what the funds were being spent on specifically when you were on the board?---Yes. I mean we know that the, the goal of, or the mission of IWHS was to improve access and equity for CALD women to services and to support them when they were, you know, going through domestic violence or other problems so the, the groups were set up according to the, the CALD groups that were prevalent in the Fairfield area. So I know that the money was spent in – by the groups, like Arabic speaking, Assyrian, Spanish, you know, from Yugoslavia countries.

Yes.---Turkish, whatever the emergent groups were in the area as well, like the African groups.

But sorry, the question is were you sure what the money was being spent on when you were a board member?---Well, I must say that one thing that was lacking in our board meetings was the financial reporting.

10 Yes?---Yeah, because we, we would only mainly talk about the services and the groups and what they were running, you know, what sort of programs, but we didn't really look closely at the financial, except usually at the end of the financial year when the auditor like needed us to sign, you know, that.

Yes?---So, I mean, and we would only get the ballpark final report sort of thing that says oh, the income was this, the expenditure was this, and then, like, as long as it was sort of like, balanced or, like, a little bit negative, then we'd say, oh, that's good, we've spent all the money. So, but we didn't drill down exactly into - - -

20 What was being spent?---Yeah, like, we just looked at the end figure, like, you know, and we relied, you know, on the chairperson to, and the auditor I suppose to, to pick those things up, you know.

So you said you relied on the chairperson to pick those things up, did you mean the CEO? Because you were the chairperson?---Oh, sorry, yeah.

Yes?---The treasurer, I'm sorry.

30 Oh, the treasurer?---The treasurer of the board um - - -

Okay. The treasurer of the board was Julie Watton, wasn't she?---Yes, that's right, yeah.

Did she have much experience in being a board member at the time that she was a board member of IWHS, in your mind?---The treasurer, I don't think, I don't think she had previous - - -

Okay?--- - - - board experience, no, yeah, no.

40 Ms Lai - - -?---Mmm.

- - - did you know what type of reports needed to be submitted to the funding body, first of all, the Department of Health, in terms of reporting obligations?---Well, I, I signed the, I co-signed the reports usually so - - -

When you - - -?--- - - - and like they were usually good, like, you know, the number of people that came to the groups, the number of phone calls, whatever, all those sort of things, yeah.

And those numbers you're talking about, the number of people and the number of phone calls, did you accept what you were being told at the board meetings about those numbers?---Yes, we did.

Yes?---We had no reason to doubt it at that stage, mmm.

10 Did you yourself go out to the programs to actually check the numbers of people that were being reported, you yourself?---Ah, no, but I must say that as Centrelink multicultural officer I did give talks to the groups, so I know that they were in existence, like sometimes they wanted like, Centrelink talks about, you know, services.

Do you recall which groups specifically you were doing talks at?
---Oh, definitely the Arabic and Assyrian groups.

20 Ah hmm?---Um, and the Turkish group I did and the former Yugoslavia group, which was the Serbian/Croatian, and I think I even did one for the, what do they call that, Swahili group.

I see?---Yeah. So I mean that was in my other role though, so I know that the groups existed, but like, you know, as to counting every group, like, attendance, I wouldn't know, like, you know, but I know that the groups did exist but I didn't count the attendance, you know, mmm.

Was it your understanding when you were a board member that things like funding agreements and reporting requirements were really in the, were the responsibility of the CEO?---Yes, ah hmm, ah hmm.

30 Did the board have any real involvement in preparing the reports, reports to funding bodies?---Not really, apart from just reading cursorily through the reports and co-signing, I didn't really have the input into the report.

And do you know if any of the other board members had any input into those reports?---No.

40 And why do you say that?---Because Dr Sharobeem or Eman Sharobeem normally produced the completed report to show to the board, so she didn't ask for our input prior to making the report.

Were you – and focus on the question?---Sure, ah hmm.

Were you aware, did you know about first of all, a multicultural parenting program?---Yes, yes, ah hmm.

Had you seen with your own eyes the multicultural parenting program being conducted?---I did, because the worker, again asked me to come and do a talk one day.

I'll just stop you there. Who was the worker?---There was a man at some stage.

Was that Ashraf Sedrak?---Yes. That's right, yeah. Good, good that you, you remembered the names.

10 I've spent a lot of time reading, Ms Lai.---Oh, yeah. Yeah, because he was the one who invited me to, to come and talk to one of his, you know, groups about again what Centrelink services are available to help.

And is that your recollection of the multicultural parenting program in your context with your dealings with him?---I think he produced, like, a training course (not transcribable).

Was that a Syrian school? Was he working out of a school as well? Do you know about that?---I don't know about that, yeah.

20 Too much detail.---Yeah, I only know him from, from the Immigrant Women's Health. And I think there was another lady after that, that became the multicultural - - -

Was her name Bann Khoshaba?---Yeah.

All right.---Yeah, ah hmm.

30 Was there anyone else you were aware of that was involved in the multicultural parenting program?---I mean, I did meet the funding body, which was the Smith Family.

Yes?---The - - -

Well, I'll take you to that now. I'll show you - - -?---Yeah, so she - - -

Firstly I'm going to show you volume 11, page 175.---Mmm.

Which is the funding agreement.---Mmm.

40 So I'll show that to you first.---Yeah, yeah.

While that's coming up - - -?---Yeah, sure.

- - - can I ask you, did you know about a STEPS to Employment program?
---I, I did because Eman called a meeting with me plus another lady who was working at Centrelink at that time.

Was her – do you know what her name was?---Najah Kerbaj.

Najah Kerbaj?---Yes, that would be K-e-r-b-a-j.

Yeah.---And that was where we – she made the idea of having the STEPS to Employment, because she thought it would be good to have the support of Centrelink in her funding application because it's dealing with employment. So we were at the initial meeting, Najah, myself and Eman, to discuss what to put in the funding application. I, I mean, I didn't actually see, you know, the actual application when it was completed, but we were there for the initial consultation.

10

I see.---Oh, it's gone again.

I'll take you to that soon.---Oh, okay.

But is it your evidence that you – did you ever see the actual program being conducted?---No, I didn't, sorry.

And is it the case that you were relying on what Ms Sharobeem told you about the program?---Yes. I was relying on her, yeah.

20

I will show you the agreement first.---Ah hmm.

Volume 11.---All right, that's the Smith Family one, yeah.

And that's page 175.---Yeah.

I'll ask the investigator to turn through that agreement so you can identify it as the one that you - - -?---Smith Family and community partner, yeah.

30 Yeah. So just turn through that.---Ah hmm.

If you need the investigator - - -?---Yeah.

- - - to stop, just tell him.---Yeah, ah hmm.

Just keep going through. Does that look like the Smith Family agreement?
---Yes.

40

That you would have read through?---Yes.

When you say read through it, you didn't read every word, did you? Or did you - - -?---No, I would probably just, just read the beginning and, and the end. That's - - -

The main, okay - - -?---Yeah, the main bits. I mean, like, I wouldn't have read every single line.

Yes.---Mmm. Yeah.

Is that, on page 198, your name and signature for 26 August, 2013?
---Actually, oh, it's not my signature. It is an imitation. Because I never spell my name without the e-y. Do you understand?

Yeah.---Oh. Okay. That's concerning. Mmm.

10 Yes. Ms Lai, so in 2013 that would have been around about the time of the memorandum of understanding being signed for NESH so I'm just trying to hone in on your memory to help you understand where you might have been when this was being signed if you're disputing it was your signature.---This is, no.

Do you recognise that as Eman Sharobeem's signature?---Yes, that is her signature because I know the squiggly bit that she has on the top.

Did you ever sign an agreement for funding for the Smith Family?---I may have signed on another year.

20 Well, I'll show you – perhaps I will show you the next - - -.---So I'm sorry, but, yeah, that is not my signature.

Can you show the next funding agreement.---So that was with (not transcribable).

What I'll do is I'll try and find the next agreement - - -.---Yeah.

- - - that was signed with the Smith Family.---Because I think there was - - -

30 Pardon me, Commissioner.---The person at Smith Family was it something Elizabeth maybe. I'm trying to remember. I know sometimes people do electronic signature but that would be completely different, eh.

That's all right.---Mmm.

I'll continue with some questions while - - -.---Yeah, sure.

40 - - - the next agreement is being located.---That's not a problem, yeah. No, yeah. No, I am a bit upset now finding that she imitated my signature. I mean not that I - - -

THE COMMISSIONER: Yes.--- - - - I wouldn't have signed it but like, yeah.

Well, I don't think you're in a position to know who did it.

MR RAJALINGAM: Yes.

THE COMMISSIONER: Are you?---Mmm. Okay.

MR CHHABRA: If it please.

MR RAJALINGAM: Did you know, Ms Sharobeem [sic], that the Smith Family with respect to - - -?---Yeah.

10 - - - both of these programs that have been referred to, the STEPS to Employment program and the multicultural parenting program?---Ah hmm. Ah hmm.

Did you know that the Smith Family required quarterly and six monthly reports when you were on the boards, so quarterly and also six monthly reporting?---I wasn't sure of the frequency.

But - - -?---We would, we would only have it like, at the AGM report she would include something about the partners, like Smith Family and - - -

20 All right. So it's your evidence is it that you had no input in relation to the reporting of these figures to the Smith Family in reports?---No.

Okay.---No, I didn't, yeah.

Were you and other board members aware that IWHS was receiving funds from time to time from the Fairfield City Council?---Yes, I was aware.

Okay.---Yeah. Ah hmm.

30 Were you involved or other board members involved, involved in preparing funding applications to Fairfield City Council?---No. No, we were not.

Did you, did you know who was responsible for that?---The CEO, Eman Sharobeem did all the funding applications because she, she, she seems to know when, you know, funding becomes available, yeah.

I'm going to take you to a part of Ms Sharobeem's evidence in this inquiry - - - .---Right. Okay.

40 - - - about this particular topic just to see what you say about it.---Okay. Fine.

But she said - - - .---Yeah. Mmm.

- - - in relation to funding from Fairfield City Council, she says, "We have" – and this is transcript reference 518.6.---Mmm.

She says, "We have many people filling applications for funding so that doesn't mean that management member, firm members, Fairfield, you will

find that many people already in each document helped with the application for funding. Names like Hien Le, Julie Watton, Nada Damcevaska, Audrey Lai, the staff of IWHS, Luong” – I think what Ms Sharobeem was suggesting in her answer because I – for my part it’s hard to understand, but if the suggestion is that you were involved in preparing applications for Fairfield City Council funding what would you say about that?---No, I did not.

Okay.---Mmm.

10

I’m going to move to another topic.---Yeah.

How often did the board of IWHS meet for board meetings?---Between – usually every couple of months. Mmm.

How many board members – just focussing on 2014/2015 when you were the chairperson, because obviously we’re talking about a number of years here, how many board members were there across 2014 and 2015?---We had five.

20

At IWHS?---Yeah. IWHS was five.

In order for there to be a meeting did you need three members?---That’s correct, yeah.

What was your role as chairperson?---My role as chairperson, I would arrange the meeting dates and send out the agenda to remind people and ask for any agenda items if they want to put it onto the agenda.

30

Would you also invite people to attend the meeting, board members?
---Yes, yes. I used to email the agendas and reminder of the dates to the board members.

At the meetings were minutes taken?---Yes, minutes were taken, yeah.

And were the handwritten minutes or were they typed?---Some, some were typed, some, some - - -

40

Were they kept anywhere?---As far as I know there should have been a folder at the IWHS premises and like, I might have some on my, you know, my folder as well as the chairperson, but sometimes we - - -

Was there an original set of minutes that were kept for the service, like a master copy of all the minutes?---Not every single minutes, I don’t have every single minutes, no, because sometimes, I must admit, we would talk but we, we, we didn’t actually document, we would just talk and then she would say, oh, you know, “How’s the service going?” And she would say, “Oh, wonderful, you know, we have so many groups and we got new

funding and, you know, and Minister Pru Goward is very happy,” you know, Minister of Health, yeah, at that time. So like, informally, like, we, we would sometimes get, like, just oral, you know, reporting at the board meetings which I know is not always the right way, but sometimes it wasn’t documented if everything was supposed to be going smoothly, and at that time we were actually telling her to slow down because we thought she was going to so many meetings and, you know, and even on the weekends she was speaking at different domestic violence forum or whatever, you know, and we as the board actually told her to slow down ‘cause we thought she was working too hard, you know.

What was her wage, her salary, do you know?---I think the end wage was about 80,000 a year.

And do you know if – how did you regard that salary, a good one or a poor one?---I think that’s quite good, it’s more than what I earned at Centrelink, yeah, so, mmm.

And as the CEO of the organisation, what did Mr Sharobeem contribute at the meetings at least?---As I said, it was fairly informal but she would usually give us a short report as to what was happening with the services
- - -

When you say short report, was that verbally?---Usually verbally, yeah, usually verbally.

Okay. Continue. Sorry to interrupt?---So she will tell us, like, we’ve got a new Swahili group because there’s more Africans coming to Fairfield, we’ve got a new funding for Smith Family for the multicultural parenting program for example, or we’ve got a new funding, you know, for the STEPS to Employment, like, so she would tell us what was happening and, and also all the extra meetings she was having, you know, with the minister and things like that. She would also, like, tell us not to worry as board members, that everything was going smoothly and, you know, mmm.

And how often would she give you and the board members those assurances about the service running well?---When we had the, the two-monthly meetings. Like, I had no reason or none of us had any reason to, to doubt her because like, you see her high profile in the media before when she had, you know, appeared on the 60 Minutes regarding to the child brides, child marriage issue, I mean she talked on SBS radio and television and like, you know, she had, she was on a domestic violence committee for the, the ah, Premier of New South Wales, so like we had no reason to doubt that everything was good and, you know, mmm.

Did you trust her?---I did, I did, yes.

Did you know if the other board members trusted her?---I did, yeah.

Did you know if the other board members trusted her?---I know Nada, the secretary, Nada Damcevska, and Julie Watton, the treasurer, we trusted her, mmm. I mean, the other ordinary board members did not come to as many meetings so, so I know, I don't know, like, exactly but I, I thought they trusted her as well from the meetings that they did come to, mmm.

10 Did Ms Sharobeem at these board meetings ever seek approval for expenses incurred by the organisation, generally speaking? Expenses.---Not really, no, yeah, mmm.

Do you know, do you know did she ever ask the board to approve reimbursements for expenses she had already incurred on her personal credit card? So focus on that one.---Mmm. Ah hmm, mmm.

20 Do you know if she sought approval for expenses – sorry, withdraw that. Do you know if she sought approval for reimbursement to her account for expenses she had paid on her credit card, prior to being reimbursed?---No, not prior to being reimbursed, no. But she did provide us a big pile of invoices that we had to rubberstamp sign. But we, but because it was like a thick folder like that, you know, for the whole year or whatever, or every, or six months, we never actually look at each one even though we, like, rubberstamped and signed it.

And when you said “we” can you just say who was being asked to rubberstamp these invoices?---The main, the main, the core board members, which is myself, the chairperson, the secretary and the treasurer.

30 Just by name, do you mean Nada Damcevska and Julie Watton?---That’s correct. So the three of us would be the main ones given this big folder of invoices that had already been - - -

Paid?--- - - - reimbursed and paid. So - - -

Was there anyone else that was being asked to do that?---No. I mean, the bookkeeper, I don't know, I suppose they, they would have approved the payment. I, I'm, so, yeah.

40 In terms of the bookkeeper - - -?---Mmm.

Just going back to the bundle, sorry, of documents that you would usually initial.---Yeah, yeah, yeah. Yeah, mmm.

When you looked at the documents you had been given to post-approve after payment- - -?---Post-approve, yeah, correct.

- - - could you tell by looking at the actual documents what the expenses were for?---Yes, we could. But because we had so many, we didn't really look closely. You know, they would say, like, for groups.

Yeah.---Morning tea or something. Or it would say, like, telephone bill, something like that. So - - -

Do you recall ever - - -?--- - - - we knew what it was for, yeah.

10 Do you recall ever being given cut receipts, cut credit card receipts to approve?---We usually had the photocopy so I don't know about that. Cut - - -

But, you know, sorry - - -?---Yeah.

- - - when you have a credit card receipt - - -?---Yeah, yeah.

- - - you sometimes have the details of the vendor, the shop where it comes from.---Oh, right. Ah hmm.

20 When you were being asked to look at this bundle of receipts, did sometimes you come across receipts without some information on it?---I mean, I really didn't look that closely, I'll be truthful, so - - -

Say, for example - - -?---I can't, I can't tell you.

- - - did you - - -?---Yeah.

30 - - - was it the case that they - - -?---That they were cut.

Was it the case that you just flicked through the folder and - - -?---Basically, yeah. That's right.

- - - and wrote your initial on the document?---Yeah. We just did that - - -

Is that what the other board members do?--- - - - so the auditor would then, you know, like, have it for their report or something. So, yes, the other board members were the same. Like, we all had something like that, where you just flick through and we just signed, you know.

40 Do you know what Ms Sharobeem said to you exactly about this process that you were doing for her?---She said we needed to have that approval so that when the auditor goes through the books for the final, you know, financial report, the final financial report, she, he needed to have that.

The annual financial report?---Yeah.

Yes. Do you know if there was a policy in relation, a written policy in relation to reimbursements at IWHS for staff members?---I don't know, yeah. I didn't sight any, yeah. Ah hmm.

Is the only written document governing the IWHS the model constitution? ---I am very aware of the constitution, yes.

10 Is it the model New South Wales constitution for incorporated – you know the standard one? Or is it a specific IWHS constitution?---No, no. We have the specific one. I have copies if you want, yeah.

All right.---Mmm, mmm.

20 In terms of reimbursements, what would you have considered a reasonable expense for reimbursement by first of all an employee of the organisation, excluding the CEO?---Well, a lot of the group leaders would spend money on providing, like, morning tea or whatever for the groups. So that would be a reasonable expense. They might have to buy materials for the group activity, like whether it's, you know, a craft activity or whether it's singing or whatever, they need to photocopy sheets or something. So that sort of thing is reasonable. And I guess also the programs like multicultural parenting program if they had to, you know, hire a venue at night or whatever it is, then that would be a reasonable expense. And of course the running costs of an organisation, like telephone bill, water bill, whatever, council rates, that sort of thing.

Sorry, and water bills for the actual service or for an employee's personal - - -?---Oh, so sorry, I'm getting mixed up.

30 Yes.---You're talking about the employees.

Yes.---I'm sorry. Employees, yeah, it's mainly expenditures that they had for running their group activities.

40 Okay. Do you know what would have been a reasonable expense for – what do you say would have been a reasonable expense for Ms Sharobeem to be reimbursed as a CEO?---Things like if the photocopier broke down or something and she had to, you know, pay for it first to be repaired. She did ask me whether she could buy a camera, I think it was \$200 or something, for the IWHS to use to take photos.

Ah hmm.---So, yeah, we did reimburse her for that.

Was there any other instance where Ms Sharobeem asked you for permission to purchase something for the organisation? Not talking about reimbursements but purchasing something for the organisation.---Mmm, purchasing side. Not that I remember. It was mainly the camera and the

photocopier. As I said, she didn't always ask us permission, you know, for the expenses. She would just go and get it and, yeah, mmm.

And in terms of her reimbursements being made to her from IWHS, did you know what the process was for her to claim a reimbursement?---She would provide the invoice or the credit card (not transcribable), whatever you call that.

Receipt?---Receipt, yeah. And she has a red tray.

10

Where is that?---In her office. So she would put everything that needed reimbursement in the red tray with the reason, you know, like, I think there's a sheet that she attaches to each, to each claim, which is sort of like an invoice or something to say what it was for. And then the bookkeeper would come once a week and she would take everything from the red tray and she would process whatever was in the red tray.

Can I ask you a question, as a board member did you expect the bookkeeper to sort out what were work-related expenses and what may have potentially been personal expenses?---Yes. Because we didn't really get involved in that side of things. It was between the bookkeeper and Dr Eman Sharobeem.

20

Did you expect that it was Ms Sharobeem's obligation to determine what was personal and work-related expense?---Yes, we did trust her a lot. I mean - - -

Would it have been a bit unreasonable to ask the bookkeeper to determine what was a work and personal-related expense if they weren't given all the information in relation to it?---(No Audible Reply)

30

For example - - -?---Well, mmm, yeah.

- - - if I gave you a credit card receipt with no details and I gave you 100 of them, the bookkeeper would not be able to determine what was work and personal-related. Would you accept that?---Yes.

So it's a bit unreasonable to expect the bookkeeper to determine what is a personal and work-related expense when they didn't make the purchase. Correct?---Yes.

40

All right?---I think sometimes the bookkeeper did challenge what she had in the red tray but - - -

But it wasn't her job, was it?---No, it wasn't her job, but, you know, but if, if Eman said, oh, no, it's, it's work-related - - -

I see?--- - - - I mean she's like a lower level, the bookkeeper, so she would always pay, you know, like, yeah.

[REDACTED]

Was there an incident where the bookkeeper had raised something with Ms Sharobeem and Ms Sharobeem had become upset with her, that you're aware of?---I think Neth, Neth, the last bookkeeper, she's got a longer name but we just call her Neth.

So Ms Chanthalangsy?---That's right.

20 Yeah.---Yeah. So Neth did want to resign as the bookkeeper and when, when we asked her why she said you, you will find out when the auditor goes through the books. So I didn't know what to make of it at that time.

I'll just – I'll move to another - - -.---But now - - -

Yeah.---I mean now I realise why she wanted to resign.

What she, what she meant.---And apparently – this is hearsay because apparently - - -

30 As long as you tell me who's told you.---The office reception staff - - -

Yeah.--- - - - overheard an argument with Eman and Neth in the office.

Okay. And when you say office staff - - -?---Like a closed - - -

40 Yeah.---Eman Sharobeem has an office in the Immigrant Women's Health Service at Fairfield and she had the door closed because that was when Neth wanted to resign and apparently she raised her voice to Neth to, to ask her to, to stay on until the, you know, the end of the financial year because like, you know, we're stuck so I think, you know, the, the – I don't know whether it was Marie or Watfa mentioned to me that she, she heard raised voice, you know, in the office.

Yeah. All right.---But I wasn't there so I didn't overhear.

But you heard with from Ms Abboud and Ms El-Baf potentially?---Yeah, one, one of them that was working at - - -

All right. Did – I'm going to move to another topic.---Yeah, sure.

Did the board ever conduct a formal review of Ms Sharobeem's work on a day-to-day basis – so did the board ever conduct a formal review of Ms Sharobeem's day-to-day work at the IWHS?---Day to day, no, no. We, we did do like, well, a performance like appraisal thing at the end of the year.

10 And what did that involve?---Very informal because, you know, she would say oh, she's doing all these wonderful things.

It was all verbal was it, was any of it written down, the review?---No. No.

So a chat with her?---Yeah.

Amongst the board members?---Yeah, and then she would say oh, yes, I'm doing all these wonderful things and, you know, and we had already seen some of her work in the media and - - -

20

All right.--- - - - and from the minister and the – even the Fairfield Mayor and all that and we thought oh, so like we, we didn't – I don't think we actually increased her wage after the appraisals but, you know, we did sort of say oh, you know, you should like, in hindsight we'll say do some self-care because you're working too hard and take a holiday and things like that, you know. But we didn't actually, you know, increase her wage or things like that.

30 And you didn't check on the way in which she was doing her job did you, the board?---Not day to day, no.

Yeah. All right.---No.

Did you – first of all did the board – do you know if the board considered that Ms Sharobeem was a psychologist when she was working at IWHS? ---So sorry. Sorry. Yeah, she did on her résumé say that she was a psychologist and on, you know the email signature?

40 Ah hmm.---Yeah, she would put there, you know, all the committees she's on, DV, Committee for the Premier and whatever and, you know - - -

Did, did - - -?--- - - - Community Relations Commission and then she, she would have psychologist as well on there.

Did the board ever take the opportunity to look at Ms Sharobeem's CV? ---Only, only when there was an inquiry from the forensic investigator came to the office from Furzer Crestani.

So prior to that was it the case - - -?---No.

- - - that the board and yourself simply relied on Ms Sharobeem's word?
---Yes, we never checked her actual resume, no.

10 So you never, I see.---We never checked her qualifications because I, I joined later, as I said, because there was previous board members which I don't know all of them before I joined. So I wasn't the one who actually recruited her for this position. So I would have assumed, which now I find is incorrect perhaps, that the previous board members who actually employed her for the job should have been the ones to check it, you know?

Yes. Ms Lai, had you yourself referred clients to Ms Sharobeem as a psychologist?---Yes, I did. I did because she was, you know, helping, as I said, women who experienced domestic violence and she had a very high profile, and I came across clients in my job at Centrelink who were women from CALD background who were experiencing domestic violence. And even, you know, some family member, you know?

20 Mmm. And just - - -?---To go and see her.

And just in relation to that point - - -?---But I had no idea that she wasn't qualified, you know.

[REDACTED]

■

[REDACTED]

[REDACTED]

■

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

So, yeah, I had no idea, like, I thought she did help. And in relation to the other clients that had experienced domestic violence, when I checked later with the clients how, how was your interview with, or your appointment with Eman Sharobeem, they always said, "Oh, she's very helpful. I feel much better now and, you know, that I can leave my husband," and whatever, you know. Like that sort of empowerment. So I really had no idea that she didn't have the qualifications.

20 Did those people that you were just talking about refer to Ms Sharobeem as a psychologist?---Yes. Yes, yeah, ah hmm. I mean, even if you go around Fairfield Local Government area, she was well-respected. Like, even the person where she buys her coffee from and whatever was, "Oh, Doctor. Dr Sharobeem," like, you know, she would always have her, her soy latte ready for her, like, every morning. And then, and even when she went walking in the street, like, you know, she would, you know, be referred to as "doctor, doctor", you know, like, so, like, yeah, everyone respected her in the community, mmm.

30 Just on that topic of titles, I suppose, do you know how Ms Sharobeem got her title as CEO? How did that come about?---I think I did answer that, because she asked whether she could be upgraded from the manager position to the, to be called the CEO. Because when she wanted to make the funding application she joined NESH and IWHS and FIRWN together, IRWN together. So she said, "I'm taking more duties so I would like to be known as the CEO."

40 Do you know if that, she might have been using that title much, many many years prior to that?---That was the formal request, I don't know if she used it before.

So she did make a formal request to the board to seek that her title be changed to CEO?---Yes, when she took over the NESH CEO, I mean when she asked to be the CEO of NESH as well as IWHS.

Did she provide you with a reason as to why she wanted to change her title? ---Because she had the added duty of looking after NESH as well as IWHS.

Did you know – I’m just moving to the property at IWHS at 92 Smart Street, Fairfield?---Yeah.

I’ll ask you some questions about that?---Ah hmm. Okay.

10 In July 2011 when Ms Sharobeem purchased the property, did you know that she was going to purchase the property?---Yes, I, I did know because she had a meeting with me, just only me and her, and she expressed concern that the owner was going to sell the property and that means the new owner might not want to have the Immigrant Women’s Health Service there and wanted to build units or whatever, so um, she was afraid that the service, you know, would have to move, so she did ask me, you know, whether she should purchase it and, you know, she - - -

And what did you say?--- - - - she even asked me if I wanted to put in money – or should I say that? I said, “Sorry, I haven’t got a lot, I think it would be a conflict of interest because I’m the chairperson.” She did ask me if I had money to put in and I said no, you know, yeah.

20 Do you know if – did you tell any of the board members that Ms Sharobeem had purchased the property?---I, I don’t think so, yeah.

Was - - -?---Because we had the discussion before the purchase so - - -

Was there ever a discussion at a board meeting about Ms Sharobeem being the owner of the property?---I’m sorry, I didn’t tell the board members, yeah.

30 No, no, that’s fine?---I know it’s my fault, yeah.

It’s not about you, it’s just about the facts, that’s all it is, Ms Lai?---Yeah.

I’m asking you, the question is firstly, you didn’t tell any of the board members about - - -?---No.

- - - the purchase?---Yeah, and I realise I should have reported to Health as well, mmm. But I only found out later that, you know, that I should have done that.

40 Was there, was there ever any discussion at a board meeting about Ms Sharobeem being the owner of the property?---No, no.

This is of course prior to the investigation - - -?---Yeah.

- - - by - - -?---No.

- - - ICAC and the auditor?---Yeah, we, we did not discuss that um, because I mean like in a sense I was happy that Immigrant Women's Health Service didn't have to move and would continue and in the premises.

And just in relation to this topic, did she also tell you prior to being, prior to purchasing the property that she was going to collect rent from the service as well?---I, I didn't know, but I know that she continued with that, I think it's Richardson & Wrench or something, the real estate, so - - -

10 So she didn't have a conversation with you about rent?---No, she didn't, yeah.

Did she have a conversation with you about the amount of rent she was going to collect from IWHS?---No, no.

Did you know that she increased the rent after she purchase it, some, some months later?---Oh, no, I didn't now.

20 Did any of the board members know about an increase in rent to IWHS?
---No, we didn't, yeah.

So it went up from about, 2,200 to 3,000 a month?---Oh, right. Really?

They're the rough figures, I can check for you but - - -?---Yeah, okay. No, we didn't know and all I know is that the, she kept the contract with the real estate that was doing it, the, you know, the payments were coming - - -

Was she close to the real estate agent in some way?---I don't know, yeah.

30 Okay. Because it doesn't make sense that the old lease between two other people could apply to Ms Sharobeem as well. Do you accept that? It's a bit strange, isn't it, that the old lease just continues to - - -?---Maybe she changed the lease, I don't know.

You don't know about that, do you?---I don't know whether she changed her name on the lease but I know it, it appears to be the same real estate.

Okay.---Mmm.

40 Just quickly on this, before we break for lunch.---Ah hmm.

Ms Sharobeem said at transcript page 920 that she had discussed the purchase of the Fairfield property with the board. Is that true or not true?
---Not with the whole board. I think it was just like a personal meeting with me only.

And just - I'm going to read just exactly what she said.---Yeah.

Just so that we - - -?---As far as I know, Nada and Julie and the other board members, I think it was, Julie wasn't even on board at that time. It was some other treasurer. Svetlana, I think. But she didn't tell the other board members. We only found out later when – I mean, they only found out later when the auditor, Nathan Boyd, alerted the other board members to the purchase.

Yes.---Mmm.

10 Commissioner, I've just lost my note. Perhaps we can take a break now and I'll find that.

THE COMMISSIONER: Yes.

MR RAJALINGAM: Oh, I'm being asked for a suppression order in relation to Ms Lai's evidence relating to Selina Chen and Mira Mitrovic.

THE COMMISSIONER: Yes, well, I'll suppress the evidence or the names of those people.

20

COMMISSIONER – THE INCIDENT WITH SELENA CHEN AND MIRA MITROVIC TO BE SUPPRESSED

MR RAJALINGAM: Thanks, Commissioner.

THE WITNESS: Yeah.

30 THE COMMISSIONER: Could you be back here at 2 o'clock?

THE WITNESS: Yes, certainly, yeah.

THE COMMISSIONER: Thank you.

THE WITNESS: Thank you.

MR CHHABRA: Commissioner, just prior to adjourning.

40 THE COMMISSIONER: Yes.

MR CHHABRA: I do have a document in my hands that was called on for production yesterday. I can produce that email now.

THE COMMISSIONER: Thank you.

MR RAJALINGAM: I thank my friend.

THE COMMISSIONER: Thank you, Mr Chhabra.

MR CHHABRA: May it please.

THE COMMISSIONER: And we'll adjourn.

THE WITNESS: Okay. Thank you.

10 **LUNCHEON ADJOURNMENT**

[1.32pm]