Today’s hearing continues the Commission’s investigation into one “relevant entity” within the meaning of the Terms of Reference, namely the National Health Development Account (NHDA).

The NHDA was a “relevant entity” associated with the HSU. In particular, it was associated with the HSU’s Victoria No 3 Branch.

The existence of the NHDA first came to light in the period leading up to the Commission’s previous round of hearings into the HSU, which commenced on 16 June 2014.

Ms Kathy Jackson was the Branch Secretary of the Victoria No 3 Branch when the NHDA was established in late 2003. The NHDA is a bank account at the Commonwealth Bank of Australia. That account was opened by Ms Jackson. She was at all times the sole signatory for the account.

On Ms Jackson’s instructions, in the period from about 2003 to 2010 funds from the Victoria No 3 Branch bank account were transferred into the NHDA. Ms Jackson thereafter effected various payments of funds out of the NHDA.

Ms Jackson gave evidence to the Commission concerning the NHDA on 19 June 2014.

At that time only a limited number of documents concerning the NHDA had become available.

Since the hearing on 19 June 2014, the Commission has been able to obtain further material concerning the NHDA.
In these circumstances the Commission considers it appropriate to recall Ms Jackson and examine her further on this new material as part of its ongoing investigations into the NHDA.

The Commission’s investigation into the NHDA includes the following topics.

First, the circumstances in which the NHDA was established and, in particular, the circumstances surrounding the receipt by the Victoria No 3 Branch of $250,000 from the Peter MacCallum Cancer Institute in 2003.

Specifically, whether the said sum of $250,000 comprised a windfall gain to the Branch, or unpaid back-pay to union members working at the Peter MacCallum Cancer Institute, or a reimbursement of expenses paid, or to be paid, from members’ subscription monies.

Secondly, the intended purpose of the NHDA and the scope of authorisations given by the Branch Committee of Management to Ms Jackson for the transfer of funds to the NHDA.

Thirdly, the nature of the expenditures made from the NHDA between 2003 and 2013.

Some matters of procedure should be noted at the outset of today’s hearing.

The hearings into the HSU that commenced on 16 June 2014 were, and the hearing today will be, conducted in accordance with Practice Direction 1. That Practice Direction provides in effect that after a witness has been examined by counsel assisting, that witness’ evidence will be adjourned to a later date for any cross-examination. Practice Direction 1 makes provision for other interested persons to provide statements of intended evidence to the Commission in advance of the hearings being resumed.

Following the hearing on 19 June 2014 a number of persons in accordance with Practice Direction 1 provided statements of intended evidence to the Commission. Today’s hearing is intended to provide those persons with notice of the further material now obtained by the Commission and Ms Jackson’s further evidence.

A further purpose of today’s hearing is that other persons who have to date not come forward but who may have relevant information or evidence concerning the NHDA will also have the opportunity to consider the further material and Ms Jackson’s evidence in respect of it.

The Commission encourages any such person to come forward.
The Commission will set a further date by which persons who have already provided a statement of intended evidence – and any other person who now may wish to do so – should provide such material.

The Commission proposes to resume its hearings into the HSU – including but not limited to its public inquiry into the NHDA – in the week commencing 25 August 2014.