

FINAL REPORT

on

HSUeast

by

IAN TEMBY QC AND DENNIS ROBERTSON FCA

3 JULY 2012

CONTENTS

	Page No
List of Recommendations	3
Chapter 1 The Inquiry	7
Chapter 2 CommuniGraphix	14
Chapter 3 Access Focus	22
Chapter 4 United Edge	25
Chapter 5 Mah-Chut Architects	32
Chapter 6 Nepotism/Cronyism	38
Chapter 7 Access to Information	56
Chapter 8 Excessive Benefits?	65
Chapter 9 Procurement Practices	68
Chapter 10 Governance Issues	75
Appendix 1 Professional Biographies	85
Appendix 2 <i>Appendix to Letter from BDO to Committee of Management/Councillors, HSUEast, 7 February 2012</i>	86

LIST OF RECOMMENDATIONS

We recommend that:

1. The Union call tenders, without delay, for the publication, printing and distribution of the *Health Standard*. The Union could call tenders selectively, and in doing so could exclude CommuniGraphix (or any business associated with the Gillelands or either of them) from the process. That may be justified. The question is one for the Union to decide. [2.19]
2. All dealings with suppliers, including for printing, promotional goods and clothing, be in the future on the basis of the satisfactory system for procurement dealt with in [9.12], at a minimum. Whether or not it continues to deal with Access Focus is for the Union to decide. [3.11]
3. The Union take steps to regularise the contractual situation between itself and the supplier to it of IT services. When and if practicable, tenders should be called for the provision to the Union of such services. At the very least, the Union should ensure that a contract is entered into between itself and its IT supplier, whether that be United Edge or some other business. [4.18]
4. The Union formulate, document and adopt procedures to be followed in recruiting and promoting staff, with insistence on merit selection being the central requirement. As a matter of documented policy, recruitment of family members should be prohibited or at least discouraged. [6.8]
5. The Union resolve, as soon as is practicable, that the annual accounts of HSUEast be prepared in accordance with all relevant Australian Accounting Standards, including but not limited to AASB124. That should apply to all annual accounts henceforth. If the accounts to 30 September 2011 have not yet been formally signed off, they should be covered by any such resolution. [7.30]
6. The Union consider a change to Union rules and employment contracts precluding employees from taking any position outside the Union except by

permission of Union Council. Further, that it consider a change in the Union rules requiring that any income derived by any employee from any outside position be paid to the Union. [8.9]

7. The Union review its superannuation obligations, with particular reference to its defined benefits schemes. [8.10]

8. The Union introduce controls on its procurement practices, as follows:

- obtain at least two prices before ordering any goods or services;
- establish a formal process and documentation for the calling of tenders or expressions of interest.
- ensure that formal tenders or expressions of interest are called for the supply of goods or services or both where the likely annual expenditure exceeds \$200,000 (or such other amount as the Union determines to be appropriate);
- in such cases, do this regularly and in any case at least each 3 years;
- place orders in writing, and retain order forms;
- keep a written record of goods actually received, and services actually provided, and any shortcomings;
- check invoices against orders, and the records last mentioned, as part of the payment approval process;
- formalise authorisation/payment processes, and incorporate requirements as to appropriate levels of seniority and segregation of duties/responsibility;

- compare actual levels and timing of expenditure throughout the year with those of the organisation's approved budget and cash forecasts; and
 - require discretionary and semi-discretionary expenditure to have the reason for expenditure noted contemporaneously, in a manner adequate for the approval process to determine appropriateness. [9.12]
9. The Union call tenders for auditing services, consistently with [9.12], as soon as is practicable. [9.22]
10. Union Council comprise:
- (a) not more than 12 directors, the number to be decided by the Union,
 - (b) of whom one only, the General Secretary, be a paid employee of the Union, and
 - (c) that the Council elect from its number 3 other officeholders, namely, the President who will preside at all Union Council meetings and Conventions, a Vice President who shall so preside if the President is absent, and a Treasurer who will have responsibility for property and finances, for bringing forward an annual budget and cash forecast, for supervising preparation of periodic and annual financial statements, for dealing with the Union's auditors, and will convene and preside over meetings of the Audit and Compliance Committee. [10.15]
11. Rule 17 (d) be dispensed with in its entirety. [10.16]
12. Union elections be advertised both early and widely within the Union. [10.18]
13. Casual vacancies be advertised widely within the Union at least in any two out of three of the Union Journal, the Union newsletter and the weekly television program, members be encouraged to put their names forward with biographical and other information, and a Union Council vote then be held. [10.18]

14. The Audit and Compliance Committee be reconstituted to comprise 5 members, one of whom is the Treasurer, the balance to be chosen by Union Council, not the General Secretary or the President. That Committee to have responsibilities including approval of budget and cash forecasts, close examination of regular - monthly or quarterly - financial statements, and protection of the money and assets of the Union. [10.21]

15. The Union undertake a comprehensive review of its internal controls, with a view to enhancement as necessary consistent with this report. [10.28]

CHAPTER 1 - THE INQUIRY

Union Resolution

- 1.1 HSUeast is an industrial union registered under the *Industrial Relations Act 1996 (NSW)*. The Health Services Union, which is registered under the *Fair Work (Registered Organisations) Act 2009 (Cth)* has several branches, the largest of which is HSU East Branch. It came into existence in May 2010 when two Victorian Branches, No. 1 and No. 3, merged with the New South Wales Branch of the Federal Union. The State Union and the Federal Branch enjoy common membership, totalling in excess of 50,000 people, working in the hospital, health and aged care industries.
- 1.2 The governing body of HSUeast is the Union Council. What follows is taken from the minutes of a Council meeting on 22 September 2011:

'Union Council notes that the General Secretary has been subjected to allegations in the media which have now been referred to the NSW Police.

Union Council determines that the assistance of appropriate independent experts be sought by the Union to ensure that the members' interests are protected by investigating these matters properly and transparently.

Resolution:

Moved P. Mylan - J. Fitzroy that Union Council resolves to request that the President of the Bar Association of New South Wales select an Independent Panel of Experts to review and investigate the following matters:

- *The adequacy of governance arrangements and business practices of the HSUeast including those associated with tenders, recruitment and expenditure.*
- *Access to financial and business related information for HSUeast members to ensure the appropriate level of transparency and scrutiny.*
- *The policies and procedures and the potential for conflicts of interest for HSUeast Officers, or staff holding Directorships on Boards or shares/ownership in external companies particularly in companies which are also suppliers of goods and services to the HSUeast.*
- *Policies around the use of HSUeast and corporate credit cards.*

- *Other matters as determined appropriate by the Independent Panel.*

The Independent Panel shall consist of not less than 3 persons. At least one shall be a chartered accountant with no less than 10 years experience. At least one shall be a legal practitioner with experience of industrial organisations and with no less than 10 years experience and one shall have experience in matters relating to the governance of organisations.

The reasonable remuneration of the Independent Panel members shall be met by the Union and the Independent Panel shall report to Union Council.

Noting that a police investigation is underway in relation to matters potentially relevant to the Governance Review, Union Council also notes that the work of the Independent Panel should be conducted at all times so as not to prejudice the Police Investigation.

In the interests of the members, the Union and having regard to the establishment of the Independent Panel, the General Secretary has decided to step aside from his duties and take a leave of absence. Council notes the decision of the General Secretary and approves the request for a leave of absence and notes that the General Secretary will utilise his own leave entitlements whilst absent from his position.

That the Deputy General Secretary Peter Mylan is appointed to act as General Secretary.

Divisional Secretary Gerard Hayes is directed to liaise with the Union members and the media in his continued capacity as a member of the Representative Body.

Motion put and carried unanimously."

Appointment of Panel

- 1.3 On 27 September 2011, the solicitors for HSUeast wrote to Mr. B. Coles QC, President of the NSW Bar Association, to request that he appoint panel members. That was done by letter of 4 October 2011. One of those nominated decided that she could not find the time to do what was likely to be a big job, and declined to participate. Union Council on 4 November 2011 decided that the investigation could and should be conducted by the other two nominated by the Bar Association President. They are, in order of nomination:

- Ian Temby QC, Barrister
- Dennis Robertson, Chartered Accountant

Short professional biographies of both men are to found in Appendix 1.

- 1.4 This is their report. Temby had principal responsibility for Chapters 1 to 3, and 5 to 8, and Robertson for the balance of the report. They take joint responsibility for the report: hence the frequent use of "we" from now on.
- 1.5 In what follows people are generally mentioned by surname only, without a preceding "Mr." or "Ms.". This is done in the interests of consistency and economy: no discourtesy is intended.

Some Key People

- 1.6 Craig Thomson MHR is the Federal member for Dobell on the NSW Central Coast. He was formerly the National Secretary of the Federal Union. Many see him as a protégé of Michael Williamson, who has for a long time been the General Secretary of HSUeast, and its predecessor.
- 1.7 Williamson said this about himself in the 2010 HSU Annual Convention booklet:
- "I am the President of the Federal ALP, a member of ALP Industrial Committee, Executive member of the ACTU, Vice President of Unions NSW, Vice President of ALP NSW Branch, Trustee on First State Super, Director UE Pty. Ltd, Director IPO Pty. Ltd, Member of the Australia Day Council and Unions NSW Finance Committee."*
- 1.8 Kathy Jackson is the National Secretary of the Federal Union, and the Executive President of HSUeast.
- 1.9 Allegations were first made against Thomson, centred upon alleged misuse of a Union credit card. They were referred to, he would say ad nauseam, in certain newspapers and in Federal Parliament. After a while allegations began to be made against others, most notably Williamson. Jackson is the main source of the allegations against both men.

- 1.10 If media reports are to be given credence, there are complex and shifting relationships between individuals and factions involved in union and ALP politics, in and around the HSU. We have not entered this territory, fearing it may prove to be a Balkan bog out of which there is no escape.

The Allegations

- 1.11 The resolution of Union Council refers to allegations in the media against the General Secretary, and that assistance is sought to ensure that the members' interests are protected by investigating these matters - which we take to mean the allegations - properly and transparently.
- 1.12 Accordingly, it is allegations against Williamson, not other people, which form the basis of the Inquiry. We note in passing that certain allegations have been made against others, including Jackson. To the extent we have looked into the conduct of others, it is because they are said to have been involved in alleged misconduct by Williamson. The allegations examined range from inappropriate conduct to, the suggestion is, criminal misconduct. Having said that, we are not empowered to reach conclusions as to whether or what crimes have or might have been committed. Under Australian law, that is the exclusive prerogative of a Court duly constituted, which in relation to serious allegations would involve trial by jury.
- 1.13 The allegations, drawn largely from media reports but clarified somewhat by a conference with Jackson and a letter with enclosures which she sent to the NSW Police on 12 September 2011, are now set out under convenient headings.

Communigraphix

- The amounts charged by Communigraphix for producing "*Health Standard*", a journal which goes out to members, are said to be well in excess of market rates.
- Communigraphix is alleged to have provided Williamson (and we note Thomson) with Amex cards which were used for personal benefit.

Access Focus

- It is alleged that large amounts, including \$100,000 in about November 2009, were paid to Access Focus for no or unknown work.

United Edge

- It is said that United Edge, which provides IT services to the Union, charges excessive amounts for doing so.
- It is further alleged that United Edge won the IT contract without tenders being called.
- It is alleged that United Edge works out of the Union's premises in Pitt Street, Sydney, and pays no rent.
- All this is said to have been facilitated by Williamson, who is a director of United Edge.
- It is alleged a Victorian IT company was being paid \$15,000 per month to maintain a membership management system, while United Edge was submitting bills for the same service.

Mab-Chut Architects

- It is alleged that the Union's architects were employed on Union money to do work on Williamson's holiday home at Lake Macquarie.

Nepotism/Cronyism

- It is said that the Union employs a number of Williamson's family and friends, the implicit allegation being that he has looked after them at the Union's expense.

- It is alleged that Williamson's son Christopher uses a Union property for his own purposes.
- Williamson's wife is said to be on the Union payroll, on some covert basis.

Excessive Benefits

- It is alleged that Williamson has a number of well-remunerated positions, obtained by reason of his long service as General Secretary of the Union, and he takes the monies involved for himself rather than using them for the benefit of the Union.

Limitations on Inquiry

- 1.14 Having been appointed by resolution of Union Council, we had no statutory powers. We could not, as Police can, obtain search warrants. We could not, as can a Special Commission of Inquiry, summon witnesses or oblige them to swear or affirm that they would tell us the truth. Indeed we could not make anybody talk to us, and as will appear, some key people declined to do so. In the circumstances it is unsurprising that in some respects we have been unable to draw final conclusions. We have in those respects recorded what we discovered, from which the intended recipients of this report - the members of Union Council - may choose to draw their own inferences, and decide what further action if any is called for.
- 1.15 Parts of the report, in draft form, were sent out to Williamson and to some others who were adversely affected by those parts. Such responses as were received were taken into account by us, and some changes made.
- 1.16 We have been largely reliant on the Union to provide us with information and documents. The individual chiefly involved was Peter Mylan, the Acting General Secretary. Of necessity, we have had to work with the material provided to us.

- 1.17 We regret not having completed the report earlier than this. There were three main reasons. The Union often gave us information and documents slowly, and sometimes partially, so we had to chase them up. We also had to wait for responses from some individuals. And Chapter 7 had to be completely rewritten more than once because we did not well appreciate all the consequences of there being two distinct, although related, legal entities - see [1.1] above.
- 1.18 This report was written to be read by members of Union Council, on the basis they must decide what to do with, and in consequence of, the report. It is not a public document.
- 1.19 Since the report was largely written, an administrator - Hon. Michael Moore - has been appointed by the Federal Court to HSUeast, and also to the HSUeast Branch. That happened on 8 June 2012. In consequence, we will now be reporting to him, not Union Council. That is in one sense a pity: it would have been instructive for Council members, and indeed Union members generally, to have our report. We express the hope that the administrator will take forceful steps, in a timely fashion, to fix the more grave defects in the Union, and hand it back to the members in a better state than it now is.

CHAPTER 2 - COMMUNIGRAPHIX

- 2.1 Communigraphix Pty. Limited is an Australian limited liability company which was registered on 22 March 1996. Its directors from that date have been John Gilleland of 909 Barrenjoey Road, Palm Beach and Carron Gilleland of the same address. They are the only shareholders in the company, each holding 50 \$1.00 shares.

The Journal

- 2.2 According to Union records, the total amount paid (excluding GST) to Communigraphix in the period from 2 March 2007 to 26 September 2011 was in excess of \$3.12M, on average a little over \$690,000 per annum, paid with respect to:

The <i>Health Standard</i> Journal	\$2,377,193.08
HSU History Project	\$195,300.50
Other	<u>\$555,470.23</u>
	\$3,127,963.81

- 2.3 What did Communigraphix do for this? Most of the money went towards publication of the Union Journal, which is sent out to each member a number of times - formerly 11, now 6 - each year. Communigraphix has done the work for many years. It is supplied with copy and photographs, and attends to some editorial and all layout functions, and the printing and postage of the Journal. The cost of each issue, excluding GST, went from \$45,185.20 from March 2007 to \$47,869 from August 2009, and then to \$87,149 from October 2010. The earlier figures were for 11 per annum, and the last was for 6 (larger) issues each year.
- 2.4 Mylan told us that so far as he knew, tenders have never been called: indeed that the cost of publication of the journal had never been competitively tested in any way. However, according to minutes provided to us by Jackson, the earlier of which was marked as a draft, at HSUEast Executive Committee teleconferences held on 25 August 2010:

"UNION JOURNAL

The General Secretary advised that it was his intention to advise Union Council that the production of the Union's journal, Health Standard should now be only 6 editions per annum. He advised that the reason for this decision was based on the fact that the number of pages in the journal would have to be increased to allow for information regarding our Victorian members and if we continue to produce the journal 11 times a year as we currently do would lead to the total cost of production and mailing of the journal to approximately \$1.1M per annum.

The General Secretary advised that he was of the view that it was now appropriate to seek expressions of interest from a number of Organisations to ascertain the best price for the production of a new 48 page journal on a 6 issue per annum distribution.

The General Secretary is further of the view that an independent consultant should be sought to seek the expressions of interest."

and on 17 September 2010:

"HEALTH STANDARD CONTRACT

On 25 August 2010, the Executive Committee received a Report regarding the contract for the Health Standard. The Health Standard is now to be 6 issues per year and a Consultant was engaged to seek Expressions of Interest to supply the magazine.

Four EOI's were received and the current provider, Communigraphix, provided the cheapest quote. The General Secretary noted that Communigraphix has provided an excellent service to HSU NSW.

RESOLUTION

Moved K. Seymour/C. Glen that the EOI from Communigraphix Pty. Ltd. be accepted. Further, the General Secretary is requested in light of this resolution to now contact the Union's lawyers requesting that they draw up a 5-year contract between Communigraphix and HSU East.

Motion put and carried."

- 2.5 On 22 February last we sought from Mylan the name of the consultant, his or her report, the four expressions of interest, the contract between Communigraphix and the Union, and all other relevant documents. Nearly 6 weeks later, by email dated 3 April, Mylan told us:

- *I am unaware who the appointed consultant was.*
- *The report referred to in the minutes from recollection was a verbal report.*
- *I am unaware as to where any copies of the expression of interest are.*
- *A contract has not been entered into."*

2.6 It is regrettable that, so far as anybody now at the Union could tell us, the cost of publication of the Journal has not been competitively tested at any time. Tenders were never called.

2.7 In order to find out whether the amounts charged by Communigraphix for producing the journal were excessive - see [1.13] above - Robertson sent Mylan an email on 13 February 2012 which relevantly read:

"1. As part of our review of controls/governance we wish to obtain comparable pricing in respect of the journal, health standard", supplied to HSUeast by Communigraphix Pty Ltd.

2. To obtain a comparable price comparison, we need details of the specific services provided by Communigraphix

In the provision of the journal. Could you please provide me with a detailed list of the services provided by Communigraphix in the provision of the journal.

3. The detailed list should include details, inter alia, of script writing, editing, photography, collation, coordination, number of copies, delivery mode etc (i.e adequate detail for a supplier, to provide a comparable quote)

4. The pre GST cost appears to be \$87149.00 per issue (that was the invoiced price for each of the last 3 issues in 2011) & it is that service we are desirous of having a comparable price quote.

5. If there are any specification documents contract etc that will assist this process we would appreciate those as well.

6. It may be (as The HSU is obviously a valued customer of Communigraphix) that Communigraphix may be willing to assist you in listing the processes involved in producing the journal.

7. This journal cost is a material amount of union expenditure & accordingly it is relevant to controls & governance matters.

Thank you for your assistance in this matter. Please do not hesitate to call me should you wish to discuss any aspects of this request or the information you are to provide."

2.8 It is worth setting out Mylan's response, dated 7 March 2012, in full:

"I provide you with the following in response to your email to me concerning the abovementioned matter of 13th February, 2012.

Over time and due to the current questions surrounding the Health Standard I have considered a number of factors relating to the production, design and printing of the Health Standard.

The production of the Health Standard is a unique process unlike that of the production of a standard magazine and as a consequence trying to compare its production with a standard magazine is not just a simple exercise of comparing apples' with apples'.

For example consider the following:

If we were to compare the production and printing of the magazine with a printer that offers a design studio (which most large print firms do) the following would most likely occur;

Firstly the copy supplied by us would need to be supplied as a completed document. Our "job" would need to be booked into the "job file" of the design studio. When our jobs reaches the top of the list the design studio would allocate a certain amount of time to compile the magazine. The completed magazine would be sent to us for approval. Should amendments be required, we would then be charged a fee for each amendment. On completion of those amendments the magazine would be again returned to us for final approval. After final approval another press proof would be sent to us for approval yet again. Whilst this is occurring our "job" would be booked into the print schedule to be printed. Should, due to unforeseen circumstances we were to miss our slot in the print schedule (due to amendments etc) we would then be placed back into the queue to be re-scheduled for print a later time. This would then cause a delay in dispatching the magazine. The knock on effect to this is our allotted booking in the mail house's schedule is then affected as well, further delaying the distribution of the magazine. On top of this (due to the size of the print run) some printers will insist on a press check. A press check is where we would have to physically look at the "job" on the printing press prior to them pushing the "print button". Another inconvenience for us. As it currently stands with our long and successful working relationship with Communigraphix most of the steps above do not occur.

For example; unlike a "standard design studio" we are not penalised for amendments. As is very common we make amendments to several pages after the final sign off, (where a breaking story needs to be included). This would not occur with a design studio without incurring a penalty or it would not occur at all. Also to be considered is the design studio would have to have a

designer work late into the night or across a weekend to ensure completion. Again delaying the distribution of the magazine and adding to the cost.

Additionally, when our journalist (a times) over writes and supplies too much copy Communigraphix have years of corporate knowledge that enables them to edit the story to fit the space. A design house would not. We can also supply copy as it is completed, (usually over several weeks), this provides us with an indication of how much space (pages) remain for us to use. This would not occur with a design house). Communigraphix also liaise with advertisers for copy to go into the magazine. Something a design house would not do. Communigraphix also source photography and design elements for the magazine. A design house would not.

Communigraphix also have forged strong working relationships with a printing firm and mail house. As a consequence of these relationships the Health Standard does not "sit in a printing or mail house queue" like it would with most printers and mail houses. We have priority with both the printer and mail house. It's the variables in the completion of the Health Standard that make these relationships Communigraphix have vital for of the timely distribution of the magazine.

As can be seen it really is impossible to simply compare a run of the mill design house and printing firm to that of the expertise and flexibility that Communigraphix provide to the union.

I trust this gives you an understanding of process and the services provided by Communigraphix."

- 2.9 Two comments must be made. The first is that this was a completely useless response to the request for information. It did not advance at all the process of market testing the charges imposed by Communigraphix. Secondly, the response was just the sort of rationalisation which is often put forward to justify a long-standing relationship with a supplier which has not been tested against the market.
- 2.10 There is nothing very special about the Journal. It looks like, but is perhaps a bit better than, many others which are put out by associations of all sorts. The idea that Communigraphix was uniquely qualified to produce and distribute it, and nobody else could do a like job - we take it this is what Mylan was suggesting - is wholly unconvincing.

- 2.11 For want of information we are unable to say with confidence whether or not the amounts charged to HSUeast for production and distribution of the Journal have been excessive.
- 2.12 As to the history project, on which nearly \$200,000 was spent in 4.5 years to September last, we note the invoices are very general, e.g. "To Research HSU history to date", with no details as to what work was done, by whom, or how many hours were worked. Other invoices similarly lack detail. The invoice rendered on 1 January 2009 (no. 08-1645) claims \$16,000 for "HSU Project Redevelopment. Work in progress to date". There are no contracts relating to either the history project or other work. Despite requests to the Union we saw no product relating to the history project until 29 June, and what we saw then did not assist us in assessing the value of the work done.

Credit Cards

- 2.13 According to an article published in *The Sydney Morning Herald* on 17 November 2011, Williamson and Thompson:

"... allegedly received secret commissions from a major supplier to their Union. ... The two men had previously been provided with American Express cards by John Gilleland, who runs a graphic design business. The credit cards were issued in the names of Thompson and Williamson but were attached to Gilleland's account.

At an HSU function this year, Gilleland's wife, Carron, privately complained to senior Union officials that Williamson had 'run amok' with the credit card. According to one official, Carron Gilleland said, 'He even paid his private school fees on it' and "this was not part of the deal'."

- 2.14 Temby wrote to John Gilleland on 5 December 2011 in these terms:

'Mr. D. Robertson, Chartered Accountant, and I have been appointed to conduct an Inquiry on behalf of HSUeast into allegations against its General Secretary, Mr. M. Williamson, who is presently on leave. We are required to examine, amongst other things, procurement policies. I have been provided by the Union with a large bundle of invoices issued by your company, Communigraphix Pty. Limited. Certain queries arise from examination of them, and I would greatly appreciate the opportunity of discussing with you both the invoices and also, more generally, your relationship with the Union over the years.

I am writing in the same terms to Ms. C. Gilleland. However, it is customary, and I think best, if I meet with you separately rather than together.

If you are prepared to meet with me - as the Union desires, as to which see below - please telephone to fix a mutually convenient time".

The letter bore an endorsement signed by Mylan on behalf of the Union as follows:

"This confirms that HSUeast desires that you provide the Inquiry with all co-operation

*PETER MYLAN
A/ General Secretary, HSUeast"*

- 2.15 A letter in similar terms was sent to Carron Gilleland. After reminder letters were sent on 14 December 2011, a letter was received from solicitors dated 19 December 2011, in these terms:

"Thank you for your letter addressed to our clients John Gilleland and Carron Gilleland.

We advise that Mr. Gilleland is in ill health and his wife, Carron Gilleland, is under considerable stress.

As you are aware there have been considerable publications recounting the affairs of HSUeast and matters associated with it in respect of which our clients do not wish to be involved, given Mr. Gilleland's state of health and the stress associated with that.

We trust the above clarifies our clients' position in respect of your request."

- 2.16 Further correspondence did not lead to a change in the position: neither of the Gillelands spoke to us.
- 2.17 Temby wrote to Williamson, to ask that he make himself available for interview. Through solicitors, he declined to do so during the currency of a pending police investigation.
- 2.18 We cannot access the records of American Express, or Communigraphix, or the Gillelands. The police can, and presumably have done so or will do so. We

cannot reach any conclusion as to whether or not Williamson received and used for his private purposes a credit card supplied to him by a major supplier of services to the Union of which he had charge.

- 2.19 We recommend that the Union call tenders, without delay, for the publication, printing and distribution of the *Health Standard*. It is for the Union to decide with whom it will do business. It could call tenders selectively, and in doing so could exclude Communigraphix (or any business associated with the Gillelands or either of them) from the process. That may be justified as the Gillelands, despite a request for co-operation by the Union, declined to be interviewed. The question is one for the Union to decide.