

**STANDING COMMITTEE ON  
ESTIMATES AND FINANCIAL OPERATIONS**

**INQUIRY INTO THE MEMORANDUM OF UNDERSTANDING BETWEEN  
BALGA SENIOR HIGH SCHOOL AND MANUFACTURING INDUSTRY TRAINING  
SERVICES PTY LTD**

**TRANSCRIPT OF EVIDENCE  
TAKEN AT PERTH  
MONDAY, 24 SEPTEMBER 2007**

**SESSION TWO - CLOSED SESSION**

**Members**

**Hon Giz Watson (Chairperson)  
Hon Ken Travers (Deputy Chairman)  
Hon Sheila Mills  
Hon Helen Morton**

**Hon Peter Collier  
(substitute member for Hon Anthony Fels)**

---

**Hearing commenced at 11.15 am**

**[The committee took evidence in closed session]**

**MYNARD, MR KEITH**

**Former President, Balga Senior High School Parents and Citizens Association Inc, examined:**

**The CHAIRPERSON:** Thank you for joining us this morning. Sorry we are running a little over time, Mr Mynard. We have a little bit of formal things that I need to do before we actually start. On behalf of the committee, I would like to thank you and welcome you to the meeting. You will have signed a document entitled "Information for Witnesses".

**Mr Mynard:** Yes.

**The CHAIRPERSON:** Have you read and understood that document?

**Mr Mynard:** Yes.

**The CHAIRPERSON:** These proceedings are being recorded by Hansard and a transcript of your evidence will be provided to you. Even though this is a private hearing, you should note that all or part of your evidence may be made public by the committee or the Legislative Council. Please note that you should not publish or disclose any private evidence to any other person at any time unless authorised by the committee or the Legislative Council. Also, I would like to thank you for coming to speak to the committee today. As you are aware, the committee is conducting an inquiry into the Balga Works program and the committee is specifically looking at the establishment, the administration and the financing of the program with a view to making recommendations to the Parliament to make sure that such a situation like this does not occur again. The committee welcomes any information you can give us to assist us in this inquiry. The committee is also aware that there are issues of a criminal nature which relate to the Balga Works program and which the WA Police are looking into. The committee is not looking into those issues but if you do have any information that relates to criminal matters, the committee urges you to take those to the WA Police.

Mr Mynard, did you want to make an opening statement or would you prefer we started with questions?

**Mr Mynard:** No; we will go with the questions first. I would rather have a closing statement, if I may.

**The CHAIRPERSON:** Sure; no problem. How did the P&C get involved with the Balga Works program?

**Mr Mynard:** Okay; it is a long story

**The CHAIRPERSON:** Yes, I think we better have the long story.

**Mr Mynard:** Take a seat! Going back to when we went through the last lot of local area planning, which involved Girrawheen Senior High School, Mirrabooka Senior High School, Balga Senior High School, that local area planning committee, I was on that committee. It seemed that Girrawheen and Mirrabooka got together and decided that Balga was going to become a year 7 to 10 school, which I fought adamantly with the previous member for Girrawheen, Ted Cunningham, and, with the help of the education minister at the time, we managed to overturn that and we dropped the TEE as a result of that. Now in dropping the TEE, it meant that we were also going to drop school numbers because a lot of the kids that wanted to do TEE were not going to come to

Balga, so we also needed to look at how we were going to increase the numbers in the school. Out of that planning, we came up with what I called the Roosevelt solution was you throw all of the lines out and see what you hook and bring back. If you are familiar with that, when Roosevelt took over in the US, he had lots of programs and he threw out all of these program ideas and just picked up on the ones that worked. We started to do that. That is when we got involved in the childcare centre. The P&C was initially involved in that. The money from the federal government that came in to fund that and set it up came through the P&C, so there was that context. That is how that started, even though it started through the school council as a proposition to “Yes, we are going to go ahead” to “Yes, the P&C being involved.”

[11.15 am]

As the childcare was established, they also had funding issues with timing on FCSIA money coming through and the like, and the P&C would be the bank, if you like, loan the money to the childcare centre while they had that funding hole, and then it would be paid back by the childcare centre. Even though it was a separate committee it was still - we had a community look at it, not just an individual look at it. Now that sort of flowed on to Balga Works. We were still looking at other ideas on getting more kids into the school. A lot of the other programs were simply pilfering students from other schools; you know, you run your special programs to try and attract other students - well, you are only attracting students that are already in education over to your school. Balga Works was re-engaging kids that had been disengaged from education. That is - do you see the difference?

**The CHAIRPERSON:** Yes.

**Mr Mynard:** That became a goal of the school, to once again increase numbers, and also get these kids that were not engaged back into education. In the school there was also - we were running the Balga youth program, which was 12 to 14-year-olds, which is an Education Department program. That was run by Mark Carton. Now, as things progressed, as it turned out, Michael Carton was running a similar program in Melbourne out of a shed, about re-engaging kids into vocational training, so we sort of developed the two ideas of, okay, if we can re-engage these kids and purely concentrate on vocational, we should have a look at it. So Merv - I cannot think of the others that went over to have a look at MITS in Melbourne. They established that it looked okay, they came back with a proposal to the school council to get involved, and then the P&C was approached to attract some funding. That is when we put in - well, the submission went to - it came out of the Premier's department anyway, but you would probably know more about that than I would - and that money came through to establish the program. So you can see how the P&C has got involved again, because it was initially seeded through the P&C.

**The CHAIRPERSON:** Can I just clarify that that was money from Premier and Cabinet to the P&C?

**Mr Mynard:** Yes, I'm not sure of the actual -

**The CHAIRPERSON:** Was it the Office of Crime Prevention?

**Mr Mynard:** That is the one.

**Hon KEN TRAVERS:** Can you recall just how much, exactly?

**Mr Mynard:** I think it was 40.

**Hon PETER COLLIER:** Why did you apply to the Office of Crime Prevention for that grant?

**Mr Mynard:** Well, it seemed to be available, and it was a great idea for getting kids off the street; a great crime prevention program.

**Hon PETER COLLIER:** Right.

---

**The CHAIRPERSON:** Can I ask a question with regards to that: do you remember who approached the P&C to help get that funding?

**Mr Mynard:** I would say it probably would have been Merv, initially, at a council meeting to see if we were going to initially go ahead with the program and see what we could do, and then there would have been - and ask the P&C to put in the application. Of course, the school would draw up the application, and we would sign off on it, and when the money comes back, we give it to the school.

**Hon HELEN MORTON:** So at that stage, though, it was a grant to try and put the idea of the program together?

**Mr Mynard:** Together, yes.

**Hon HELEN MORTON:** Was there ever any intention that the P&C would have an ongoing role, or was it intended that that would be just the role of the P&C, in terms of that \$40 000, to do that proposal thing?

**Mr Mynard:** I suppose it is one of those - at the time, probably not, but then you have to look at it as a school community, not just as a P&C versus school sort of situation. We were working as a community, as such. There was really no distinction between the school and P&C because we were all working on the same project.

**Hon HELEN MORTON:** Yes.

**Mr Mynard:** Same with the childcare centre. The childcare centre took on its own committee eventually, when it was established, and I suppose I can say there were issues with that, that maybe that should have just remained as a subcommittee of the P&C rather than being a separate entity, because as time went on some of the committee members thought they were separate to the school so they did not need to work in with them. That came down to some of the parent support times and things - there were problems there that probably could have been eradicated had it remained, as I say, a subcommittee of the P&C because it was more, I suppose, of a cohesive group working for a common goal; you did not have the egos in the room, so to speak.

**Hon HELEN MORTON:** I want to understand the correlation between the two: the childcare one that you are talking about -

**Mr Mynard:** Yes.

**Hon HELEN MORTON:** - does the P&C receive money from the federal government for that?

**Mr Mynard:** We did initially, yes, the initial grant of - I think it was about \$70 000.

**Hon HELEN MORTON:** Yes, but now how -

**Mr Mynard:** No. No, it is totally separate.

**Hon HELEN MORTON:** So it is a separate legal entity in its own right -

**Mr Mynard:** Yes.

**Hon HELEN MORTON:** - that receives funding and makes payments and does accounts and the whole thing?

**Mr Mynard:** Yes, although the P&C did prop it up when their gateways did not coincide with people's wage times and things and the like, and they had to carry over.

**Hon HELEN MORTON:** Yes.

**Mr Mynard:** Then the P&C would loan them money then, so that people could be paid, and then they would reimburse us.

**Hon PETER COLLIER:** Can I just ask you a question about the P&C, Mr Mynard?

**Mr Mynard:** Yes.

---

**Hon PETER COLLIER:** You were president at that time -

**Mr Mynard:** Yes.

**Hon PETER COLLIER:** When was your term as president of the Balga P&C?

**Mr Mynard:** Good heavens above.

**Hon KEN TRAVERS:** I was going to ask you when were you not the president.

**Mr Mynard:** Yes.

**Hon PETER COLLIER:** Are you currently president?

**Mr Mynard:** No, no, I resigned, but we will get to that towards the end I should imagine.

**Hon PETER COLLIER:** Yes.

**Mr Mynard:** But, yes, I had been there for about 12 years, I think.

**Hon PETER COLLIER:** Is that right?

**Mr Mynard:** Yes.

**Hon PETER COLLIER:** So when the -

**Mr Mynard:** Or longer. I was there before Merv, anyway.

**Hon PETER COLLIER:** That is a long time.

**Mr Mynard:** Graham Young was the principal when I first started there.

**Hon PETER COLLIER:** So the P&C, when it became involved, obviously, with the establishment of Balga Works - was the application of the initial grant from the Office of Crime Prevention?

**Mr Mynard:** Yes.

**Hon PETER COLLIER:** Then in the duration of the next two years, with the P&C involvement within Balga Works -

**Mr Mynard:** Yes.

**Hon PETER COLLIER:** - was that done through regular P&C meetings, or was it largely done through the connection between yourself and the principal?

**Mr Mynard:** No, it was usually done through the P&C meetings. Of course, you still have the same problem that you do not always get a meeting even though you have called one, and you need to proceed anyway. But, yes, it was - mind you, there was a bit of a lack of understanding of why some of the money was going through the P&C account, but, to me, it was all to do with the program anyway. Quite simply, it was DET money in education and training that was going through for education and training.

**Hon PETER COLLIER:** Who would represent the school at the P&C meetings?

**Mr Mynard:** Merv, usually, if he had a report, or he would send a delegate.

**Hon PETER COLLIER:** Okay.

**The CHAIRPERSON:** We might just ask Mr Mynard to - I think we stopped you in the middle of your -

**Hon PETER COLLIER:** Sorry, yes.

**The CHAIRPERSON:** - chain of events there.

**Mr Mynard:** Yes.

**The CHAIRPERSON:** Perhaps we might just pick up there and ask you to continue where you left off, if you can remember where you left off.

---

**Mr Mynard:** Where did we get up to?

**Hon KEN TRAVERS:** You had sought the grant from the Department of Premier and Cabinet.

**Mr Mynard:** Yes. Merv had been over and checked out MITS, we had this relationship with Michael Carton going, it seemed feasible, and Michael was set up to be the coordinator, to coordinate it, to set it up in the school. Mind you, we were doing something that had never been done before. The program in Melbourne was running out of a factory unit, and we were actually re-engaging kids onto a school site, where a lot of them did not want to be anyway, but it also gave the advantage that if we could pick any of these kids up and they could go back into mainstream, they would also have that advantage, where they would not have had it in any other program, so we would pick them up at any level that they came in at. Now, if they were more suited to go back - you know, we thought we could put them back into mainstream, then we would put them on that pathway, or they would go into, sort of, vocational training, to see what they could do. A lot of it was assessment to see what the kids were best at. Okay, right, the time frame: so that was the beginning. Now, I suppose for that first 12 months I probably was not as close to Balga Works as I should have been, and then the P&C were getting a bit confused about what was happening with the money, so we decided that, okay, we will separate it and we will turn it into its own sub-entity, so then Balga Works committee was established.

**The CHAIRPERSON:** Can you just reiterate when that was, roughly?

**Mr Mynard:** November - it would have been November 2005, at a guess. Did I get it right?

**The CHAIRPERSON:** Yes.

[11.30 am]

**Mr Mynard:** Then Balga Works had its own management committee, which was also a subcommittee of the P&C and also had its own separate bank account. We were trying to get greater accountability of any funds that were coming through and it was a management committee made up predominantly of those in the school. By that time Gary Taylor had come on board, so he was a prime focus - he would have got most of the minutes, I think.

**Hon PETER COLLIER:** Who else was on that management committee, do you remember?

**Mr Mynard:** Jon Cook took the chair, he was the vice president of the P&C, Gary Taylor, Merv, myself and anybody else we needed at the time. That was pretty much the crux of it. There were a couple of others, but I cannot think who they were.

**Hon SHEILA MILLS:** I refer to the subcommittee. Who was the Treasurer? Who handled the accounts for that committee?

**Mr Mynard:** It ran through the P&C Treasurer, Michelle Green, which became an issue too. It is another one we will get to.

**Hon PETER COLLIER:** Was Michelle Green on the management committee?

**Mr Mynard:** No, not directly. At that time it seemed to be an advantage to have the school registrar as P&C Treasurer and, at one time, the assistant registrar was also my secretary. It was fairly tight knit, but, as I said, everybody was working for the common goal. There did not seem to be an issue

**Hon KEN TRAVERS:** What was the reason that you created the separate entity at that point?

**Mr Mynard:** At that time people, and even I, were getting confused about some of the money that was going through the P&C, through to MITS, Hursons or whoever. There seem to be a bit of confusion there.

**The CHAIRPERSON:** Can you elaborate on what was causing that confusion?

---

**Mr Mynard:** It was simply coming through as donations when, really, it was the education program and it ended up going through as the construction of the shed. It seems to be a sticking point now. In essence, it was an education program for the kids because they were doing their learning and the construction was really a secondary part, or bonus part, of it. The concentration was on getting the kids some skill.

**Hon KEN TRAVERS:** I do not need specifics, but what sort of volume of money are we talking about and what was the number of donations and from whom were they coming?

**Mr Mynard:** They were coming through to the school to Michael, but then Michael had a huge team of people training these kids and working with them on a daily basis. When I went through there, there were different kinds of tradesmen, from carpenters through to boilermakers and the like, working with these kids on different projects down in what we called the shed, which was the old pre-vocational building. As part of that, they renovated it and turned it into an area to park a couple more buses and that sort of thing and built limestone walls. We picked up an old donga from the education department and they set that up. The value was going back into the school.

**Hon KEN TRAVERS:** Were the donations in cash or in kind?

**Mr Mynard:** No, it was cash. It was going through the account - from the school to the P&C account through to Hurson.

**Hon KEN TRAVERS:** Was the donation from the school and not from an outside entity?

**Mr Mynard:** No. That seems to be a bone of contention now.

**Hon PETER COLLIER:** What do you mean by that?

**Mr Mynard:** That is one of the charges that Merv is up on. Apparently that violates some regulation in some book somewhere that we have not been able to track down.

**Hon SHEILA MILLS:** Can you explain the donation for the bus shelter? You said it was funding for education for the kids, not for a bus shelter.

**Mr Mynard:** It was for an educational program.

**Hon SHEILA MILLS:** Was the construction of the bus shelter an educational program?

**Mr Mynard:** This is where people get confused.

**Hon SHEILA MILLS:** Yes, I am confused.

**Mr Mynard:** It went down as being the bus shelter, but, in essence, it was an education program to teach the kids the skills and build the shed. We could say that was a bonus. It was an outcome of the education program, not a primary directive.

**Hon KEN TRAVERS:** The money that came to the school and to which you referred as a donation was to actually run building skill programs. Did those building skill programs result in a shed being built?

**Mr Mynard:** Yes. Out of that, Michael, from whatever company it was, employed trainers and the like to work with the kids through the day to do that. From where I see it, that seemed to be a really cool idea. He had a lot of people down there. There was not enough money going through our account to cover the number of people involved in the work that was being done.

**Hon KEN TRAVERS:** What was the confusion that occurred in November 2005 that created the need for the sub-entity?

**Mr Mynard:** Some of the other P&C members did not feel that was appropriate because it did not seem to have enough accountability, which I agreed with. I thought that if we set it up as a separate entity we would give it greater accountability, because it would have its own account and we would know exactly what the money was coming through for.

---

**Hon KEN TRAVERS:** The money was appearing in the books and going out?

**Mr Mynard:** Yes.

**Hon SHEILA MILLS:** You said that from your observation there was a pile of tradesmen involved in the building and the money going through your account would not cover the amount of activity taking place. Do you have any idea where that money was coming from?

**Mr Mynard:** I asked that question on many occasions,

**Hon SHEILA MILLS:** Who did you ask?

**Mr Mynard:** Merv usually. I dealt closer with Merv than anybody else. On a number of occasions Merv just got on the phone and said, "We will ask Michael", and Michael would walk in the door and I would ask - I will not use the exact language - how the hell were we paying for it. Michael would simply say, "I've got it covered."

**Hon SHEILA MILLS:** That is all he would say?

**Mr Mynard:** I would ask, "Who is covering it?" One of the answers was Hursons and that there was no problem.

**The CHAIRPERSON:** Did those people get paid?

**Mr Mynard:** As I found out later, like everybody else did, no, he did not have it covered. We are talking about what happened here, but we did not find out until further down the track. I think I found out after some parliamentary members because I found out more about how many people had not been paid and what was going on in Michael's company at the meeting at the member for Kingsley's office. I was powerless because it was a separate company. He was a private service provider who was paid to provide a service and he just did not pay his people.

**Hon SHEILA MILLS:** Did Merv Hammond have any idea where the money was coming from?

**Mr Mynard:** Merv got the same answer as I did - "I've got it covered. Don't worry, I've got it covered."

**Hon SHEILA MILLS:** You had a meeting at the member for Kingsley's office?

**Mr Mynard:** Yes.

**Hon SHEILA MILLS:** Can you remember when that was?

**Mr Mynard:** I cannot remember the exact date.

**Hon SHEILA MILLS:** Who was there?

**Mr Mynard:** Judy Hughes, Michelle from Margaret Quirk's office and another colleague, I cannot think of his name.

**The CHAIRPERSON:** Another member?

**Mr Mynard:** An upper house member.

**The CHAIRPERSON:** Was it Graham Giffard?

**Mr Mynard:** That is him. Well done, thank you.

**Hon KEN TRAVERS:** What was the purpose of that meeting?

**Mr Mynard:** That was about the numerous calls from people who had not been paid and they started to lay it on the table. I was sitting with Michael.

**Hon SHEILA MILLS:** Michael Carton was there as well?

**Mr Mynard:** Yes, Michael was there as well. The true value of the money he had not paid out started to come to light.

**Hon KEN TRAVERS:** Was that the first you had heard about the lack of payment to people?



**Mr Mynard:** I had heard a couple of rumours the week before. That was when I really had a slap on my face and realised that all these people had not been paid.

**Hon KEN TRAVERS:** Was Merv Hammond there?

**Mr Mynard:** No.

**Hon SHEILA MILLS:** Are you looking at towards the end of 2006?

**Mr Mynard:** Yes.

**Hon SHEILA MILLS:** November or October?

**Mr Mynard:** Probably earlier - June or July, I am not sure. Do not quote me; I am not good at dates. I am getting old now.

**Hon PETER COLLIER:** What was the outcome of that meeting?

**Mr Mynard:** I was walking around the car park with my hands on my head saying, "Oh, fuck!"

**The CHAIRPERSON:** It is a very natural reaction.

**Mr Mynard:** There was somebody from the education department there too and they were then looking at at least paying the people who were going through hardship, which I thought was absolutely tremendous.

**Hon SHEILA MILLS:** Do you have any idea who that was?

**Mr Mynard:** Somebody from the minister's office, Ljiljanna's, at the time.

**Hon KEN TRAVERS:** From the minister's office or the department?

**Mr Mynard:** From the minister's office, I believe.

**Hon SHEILA MILLS:** Do you have any idea who it was?

**Mr Mynard:** Not off the top of my head, no.

**Hon KEN TRAVERS:** Was that person male or female?

**Mr Mynard:** Male.

**Hon KEN TRAVERS:** The purpose of that meeting was to discuss the non-payment. It was the first time you had heard about it. Do you know what the agreed outcomes were at the end of the meeting?

**Mr Mynard:** No, not at the end of the meeting. I heard later on that the department was going to pick up the tab for the employees who had not been paid.

**Hon KEN TRAVERS:** At those sorts of meetings it is agreed at the end of that X will do this or that. Did anything like that occur?

**Mr Mynard:** I think he was going back to the office to see what he could do. I will give an overview. Education paying the full bill was unfair, because most of the debts seemed to be around the accommodation part, which was a DCD responsibility or even the Department of Corrective Services responsibility. I will back up a little from there. It would have been at the beginning of 2006 when we realised we had a bit of a black hole coming. I had no idea to what extent, but there was a black hole coming and there were kids in accommodation for whom we had not been paid. We went out with our begging bowls, literally, to see from where we could pull money to keep these kids going, especially the accommodation side because it was working well at the time. One of the meetings was at the Premier's department with Hatt, when Geoff still Premier. At that time, we were looking at making an application for a one vote scenario - the Neesham program, where one vote goes through and he is given a clump of money that he can use and he does not have to worry about anything else. He knows how much money he will have and what he can do with his program. We were trying to look at that, but it is another one that did not eventuate. We went to

---

John Kobelke with our begging bowl to see what money might have been available. There were rumours of other funds that might be available. There was a rumour of \$70 000 from McGinty, but that never came through. Lots of money did not come through. The first loan that the P&C made for the accommodation - \$35 000 or whatever for the blood stone or broom stone, something like that, was supposed to be covered by \$50 000 coming in from Abstudy to cover the accommodation. That money never came through. It was getting back to the situation with child care and when it had a funding shortfall we came in and picked it up and when they got the money they would pay it back. The same applied to Balga Works. We paid out the \$35 000 and it was supposed to come back when the Abstudy money came in. It never came in.

**The CHAIRPERSON:** Were you expecting the Abstudy money to come back to the P&C?

**Mr Mynard:** Yes, the \$35 000.

**The CHAIRPERSON:** Are you aware where the Abstudy money went? I presume it was paid.

**Mr Mynard:** As far as I am aware it was never paid.

**Hon HELEN MORTON:** Do you mean that the federal government never gave the money to any entity associated with Balga Works?

**Mr Mynard:** Yes. To my knowledge that \$50 000 never came through.

**Hon KEN TRAVERS:** Was it \$50 000 or \$35 000?

**Mr Mynard:** No, \$50 000.

**Hon KEN TRAVERS:** You mentioned \$35 000.

**Mr Mynard:** The amount of \$35 000 is what the P&C paid out for the accommodation. That was supposed to be repaid when the \$50 000 for Abstudy came through.

**Hon HELEN MORTON:** Was that Abstudy money to be paid as a single block of \$50 000?

**Mr Mynard:** Apparently so. It was back pay for the Aboriginal students who were in the accommodation. That is what I was led to believe. Since then I have come to doubt that there was \$50 000 anywhere, but at the time that is what I was led to believe.

**Hon KEN TRAVERS:** By whom?

**Mr Mynard:** Michael, who else?

**Hon PETER COLLIER:** I appreciate you said that it is difficult for you to remember the dates and figures because so many are involved. You mentioned that when the issues for payment for accommodation first surfaced you took the hat around to try to get money from various sources and departments. You mentioned it was when Geoff was still Premier.

[11.45 am]

**Mr Mynard:** Yes.

**Hon PETER COLLIER:** So that would have been -

**Mr Mynard:** Well, the first time we went around, yes.

**Hon PETER COLLIER:** So that would have been at the end of 2005, I would take it?

**Mr Mynard:** Yes, thereabouts, I should imagine.

**Hon PETER COLLIER:** So there were difficulties with the funding?

**Mr Mynard:** Well, we were trying to attract as much funding as we could so that we could have a bigger and better program. And it was, it was an expensive program, but then the outcomes, the long-term savings would be unbelievable. This is where I - I do not mean to be rude, but parliamentary people seem to be a little bit off track because this was a tremendous program being -

and there was a lot of hard work by a lot of good people in there. And if we had a program like that running successfully in the state, we would be much better off in the future.

**Hon PETER COLLIER:** I think we all agree with that.

**Mr Mynard:** As I say, we were begging for money, we could not get it. And that is why Michael could not pay people, because he did not have the money. So I presume he was just leading them on.

**Hon KEN TRAVERS:** But when are we talking about there though? At the end of 2005?

**Mr Mynard:** Somewhere in there, yes.

**Hon HELEN MORTON:** Can you tell me whether the member for Kingsley's electorate or research officer - a lady by the name of Kym Edwin - was at that meeting that you were referring to that took place in the member's office?

**Mr Mynard:** I am not sure whether she was actually in at the meeting. I cannot actually say for sure whether she was actually sitting in the meeting. She may have been.

Okay, where did we get to? You can get lost in this, can't you?

**The CHAIRPERSON:** Yes, easily, yes.

**Mr Mynard:** All right. Where are we up to? Right, yes, it would have been about Christmas '05, I think, was where the crunch started to come; that is when we paid the 35.

**Hon KEN TRAVERS:** Can I just jump back?

**Mr Mynard:** Yes.

**Hon KEN TRAVERS:** When you were talking about begging, did you actually have a proposal that you were putting forward to people that you were seeking funding on or was it sort of an ad hoc seeking of funding?

**Mr Mynard:** Some of it was an ad hoc, some of it, I think, Cookie had - because Cookie is great on paperwork, so there was a whole lot of that to go with it. He could probably fill you in more on that than what I could.

**Hon KEN TRAVERS:** Cookie being?

**Mr Mynard:** Jon Cook, yes.

**Hon PETER COLLIER:** He was manager, was he, of the program?

**Mr Mynard:** Yes, he was chair of the Balga Works program or the Balga Works committee. There was a subcommittee of the P&C, he was vice president of the P&C, he was chair of that meeting.

**Hon KEN TRAVERS:** Are you aware of there being a document that outlined what the Balga Works program was and all of the various elements of it?

**Mr Mynard:** Oh, yes. We have seen many -

**Hon KEN TRAVERS:** Do you have a copy?

**Mr Mynard:** Good God! Not on me, no.

**Hon KEN TRAVERS:** No, but do you have - would you have copies at your -

**Mr Mynard:** I would probably be able to find them eventually. I will forward them if you want them.

**Hon KEN TRAVERS:** Yes, if you have got them, if you could send them to us.

**Mr Mynard:** Because it was a developing plan too. There were lots of plans and lots of outlines and lots of academic stuff that went through that I - you would do it yourself, you would sort of go,

oh yes, that looks good, that sort of thing. But immediately after the meeting with Judy Hughes, we were working on a new management program. As soon as I left that meeting, that was one of things we did do, was go straight back and set up a new management program or look at setting it up and we had it drawn out on paper anyway. It never actually got implemented.

**The CHAIRPERSON:** I think you just described the fact that you were quite distressed that people had not been paid.

**Mr Mynard:** Yes. Well, it was a matter of what can we do. Okay. I cannot fill the hole, but we have still got these kids that we are responsible for. They are living, breathing human beings that we are looking after now. What approach can we take to do the best we can? And that is where we went back around the table and started to come up with a new management program to try and address that.

**The CHAIRPERSON:** So can I just clarify then - you are saying from the information you gained at that meeting that the fact that people had not been paid was- who did you see as being responsible for that?

**Mr Mynard:** Michael.

**The CHAIRPERSON:** Right. You did not sort of think, well is this guy worth working with anymore if he has not -

**Mr Mynard:** I supposed you have got St George and the dragon. He is both. Because working with the kids and keeping them in tow, and especially in the accommodation, he was absolutely tremendous. As a businessman - questionable. But we could not run the program without Michael - it could run without Merv Hammond or Keith Mynard. But we could not take Michael out at that time, because he had the rapport with the kids, he had - although he had stuffed up, he was working extremely well with the kids. He had kids up there that I would safely say none of you would want sitting in your lounge room at home and certainly would not leave them there unattended. These kids were some of the hardest cases we have in the state. And he had them working together as a family unit, which you cannot buy that - sorry. It was just - what he was doing with those kids was unbelievable.

**Hon KEN TRAVERS:** Can you expand on that because, I mean, obviously some would argue that he was not doing a great job.

**Mr Mynard:** Okay. All right. I will give you a personal perspective.

**Hon KEN TRAVERS:** And what you saw.

**Mr Mynard:** We have got all this shit going down at school, we have got - especially after I learnt that people had not been paid, and then realise that there is even a lot in the school that have not been paid and people have been conned outright too and, yes, it seemed to be very nasty. Then I would go up to the accommodation and sit down with the kids for tea, and you are sitting at the table with some of the hardest kids in the state that are now quite happy living as a nice little family group laughing and being silly, so to speak. And you think well - all of the rest of it goes away. These are the important ones. This is what we are here for. This is what we are doing. These kids were on their best behaviour; they were absolutely fantastic. I will jump forward here because we had a very fiery meeting up at Joondalup with residents saying that all the crime and everything that was wrong in the place was all associated with Balga Works. Now, from that we set up a working committee with representatives of that group; rather than dealing with 150 people, we were now dealing with 12 as a representative of that hostile residents group. Now, this is going up towards the end. The Sunday, I think it was pretty much the last Sunday, we had a picnic in the park down at Joondalup with those committee members, with the kids, and everything was absolutely fantastic. In fact their comments were, "Oh wow, you know, this is great", "These kids are wonderful", "Which ones are they? - that sort of thing. Because they did not - there was no problems at all and

yet on the Wednesday, O’Gorman goes to Parliament with a petition to shut them down saying that he is representing the residents. And yet we worked with them. The mind boggles.

**The CHAIRPERSON:** Although, we certainly have evidence that the behaviour was unacceptable in certain circumstances.

**Mr Mynard:** Some of it was, yes, certainly. I do not dispute that. But then you also have to look at the calibre of kids we are dealing with. You have to look at the allegations and things that came out of there too. As I say, you are looking at DCD kids and some of them were very, very hard cases. But have you also heard about the girl that kept on coming back even after the accommodation was closed, because it was the safest place she had ever felt in her life. She came back to clean up the units. All right, there is damage up there, but that was the kids acting out when they told they were going back to DCD. They were furious. They had been hurt again. We had taken away their hope again.

**Hon HELEN MORTON:** What do you - why did the kids think they were going back to DCD?

**Mr Mynard:** Because the program was closing.

**Hon HELEN MORTON:** Yes, but why did they think it was closing?

**Mr Mynard:** I do not think they cared. It was just a matter of it was closing. The funding had stopped from DCD.

**Hon HELEN MORTON:** Okay. My question should have been: who were they blaming for it closing and why did - what did they think was causing it to close?

**Mr Mynard:** I suppose from their - there would have just been there was no more funding for it, so they would have blamed the government, I suppose.

**Hon SHEILA MILLS:** Was it Michael Carton that told them or -

**Mr Mynard:** I do not know.

**Hon SHEILA MILLS:** You do not know who told them?

**Mr Mynard:** No. But either way the program was closing and they were going back to where they had come from.

**Hon PETER COLLIER:** Do you know, Mr Mynard, how many youths we are talking about here in the accommodation and also in the program who were actively involved?

**Mr Mynard:** There were - at that stage I think there was only about 20 left in the accommodation.

**Hon PETER COLLIER:** Right.

**Mr Mynard:** And there were - I think we worked out there was 50 others that would not be accommodated anywhere else, because either the district officer would say that they are too close to the non-compulsory age anyway so we do not need to look after those ones. Yes, we do not need to look after those ones, we can place these ones in some other little programs and forget the rest. I cannot say I was overly joyed about that.

**Hon HELEN MORTON:** I am just a little bit confused. Was the P&C - did all of the funding that eventually found its way to run the Balga Works program in whatever form it was called eventually, did all the funding from all of the different sources come through the P&C as a kind of clearing house before it got to -

**Mr Mynard:** I do not know - I suppose. Well, towards the end it was only DCD funding coming through and I think the money from the department was going straight through.

**Hon HELEN MORTON:** The money from the Department of Education and Training was going straight through -

**Mr Mynard:** I think that was going straight through towards the end.

---

**Hon KEN TRAVERS:** Straight through to -

**Mr Mynard:** From the school through to Hursons, I think. But do not quote me. Because the only money that was then started coming through the P&C was from DCD through the Balga Works account.

**Hon HELEN MORTON:** And so that - and that was - the moneys that came through the P&C, was there ever any - I was going to say the word "scrutiny" but - did you do anything with it, or was it just purely a simple paper thing money in, money out, money in, money out?

**Mr Mynard:** From my part?

**Hon HELEN MORTON:** From anybody's part on the P&C. Was there any other activity associated with disbursing the money or changing amounts or doing anything at all with it, or was it just purely a process of receiving money in, putting money out?

**Mr Mynard:** I suppose - at which stage are we on about it? If we are on about earlier in the piece, then it was not really scrutinised because, as I say, the treasurer of the P&C was a school registrar. It just seemed to flow through; there did not seem to be any issue. Later on when it came down to the DCD funding coming through, she became obstructive. It was okay in the beginning, but towards the end it was not. Now, the way the payments were coming through from DCD, Michael would invoice DCD and tell them, you know, this is for this kid to stay and that sort of thing. DCD would pay the money through to the P&C account. It would just match up on the invoices and then paid through to Hursons. So DCD were actually vetting the claim because they knew what kids were there and what were not.

**Hon KEN TRAVERS:** Why would they not just pay it straight to Hursons?

**Mr Mynard:** They could not. DCD could not pay it straight through to Hursons.

**Hon HELEN MORTON:** Why is that?

**Mr Mynard:** You tell me - your rules!

**The CHAIRPERSON:** So you would understand that that was a requirement of the department?

**Mr Mynard:** Yes, yes, they could not pay the money directly through to Hursons or they could not pay it directly through to a private company for some reason or other. That was from them; they could not do that. They could pay it through the P&C association, but they could not pay directly to Michael otherwise we would have done that.

**Hon HELEN MORTON:** But did they know that it was going to there?

**Mr Mynard:** Yes. Oh, there is no doubt about that. Of course they did.

**The CHAIRPERSON:** They knew the ultimate -

**Mr Mynard:** And they knew who was looking after the kids too. They are responsible that way that they were checking that the kids were there, they were checking on Michael to make sure that the ones he was claiming for were actually in the accommodation. Yes.

**Hon PETER COLLIER:** I understand that the program closed in about, I think it was 13 or 15, officially closed in October of last year, not the accommodation component. The accommodation, I think, went till December. But then, as I understand it, there were literally hundreds of thousands still paid to the P&C from DCD or child protection after that date. Do you know why that would have occurred?

**Mr Mynard:** Now there were - there was - because DCD were funding retrospectively, not forward. Now, the very last payment was supposed to include a retrospective payment as well. Now I am not - I did not go through - well, I never went through the accounts because I had a treasurer and three other women that vetted everything anyway and I was not going to get in the middle of that. The last payment was the one I resigned on. That is where I left the P&C.

---

**Hon PETER COLLIER:** Twelfth March 2007, around there?

**Mr Mynard:** I was not around.

**Hon PETER COLLIER:** Okay.

**Mr Mynard:** Okay. It came down to - we sat down around the table with DCD, I think it would have been in the November. And Michelle Green and Geoff Harris. Michael was there. I was there. The director of Mirrabooka DCD was there, Cheryl - I cannot think of her name. Because Michelle Green had been obstructive in letting the money flow through and she was just doing anything she could do to prevent it.

[12 noon]

**Hon KEN TRAVERS:** Michelle Green was the treasurer?

**Mr Mynard:** Yes.

**Hon PETER COLLIER:** Why was she being obstructive? Do you know why?

**Mr Mynard:** I have never really come to that. She even threw me out of her office when I started to question her. So, towards the end we were not, obviously, privy to what was happening. That is another story. We were on about the last payment coming through.

**Hon PETER COLLIER:** Sure.

**Mr Mynard:** The agreement was in that November, the invoices would come through, and the money would just simply pass through the P&C, like it had been, where the P&C was trying to get its five per cent. The payments from DCD would go through the P&C account, and everything bar five per cent would be transferred on to Michael.

**Hon PETER COLLIER:** Why five per cent?

**Mr Mynard:** Well, sort of like a management fee. It was a way of trying to recoup some of the money that Balga works owed the P&C. That was part of the bigger vision, too. Okay, we will go into that, then. If you looked at the bigger vision, you would have a P&C that, if this program was still running, would have a million bucks going through its account each year, and if you were retaining five per cent to give back to the school and spend on the kids, Balga Senior High would have been one of the best schools around the place. It would have been a win-win situation. Anyway, the agreement was made, and Michelle agreed, and Geoff Harris was there to agree to it, and I just sat quietly, and it was all drawn up that the next issue of payments would just go through smoothly. Well, when it came to happen, Michelle lost the chequebook and could not be contacted, and of course Michael was waiting to pay people, and, once again, he has got people screaming at him to pay them, so he needs to get the money into his account so that he can pay the employees, and Michelle is playing cat and mouse. So, we ended up in a huge argument in the office, where I was nearly going to get Geoff Harris arrested for obstructing, because he had control of the chequebook, and he was issuing -

**Hon PETER COLLIER:** Who was that?

**Mr Mynard:** Geoff Harris.

**Hon PETER COLLIER:** Who is Geoff Harris?

**Mr Mynard:** He was the replacement principal after Merv.

**Hon PETER COLLIER:** Okay.

**Mr Mynard:** He was being obstructive in stopping the cheques from going through, along with Michelle, which to me was interference in an incorporated body, so he should not have been there at all, and we had already agreed that the money would go through. So, eventually we got the cheque out of the office, and Michelle is going, "Oh, I haven't got the invoice." Well, she did have. She was lying through her back teeth. DCD had already vetted that money to go through to Michael

anyway, so regardless of what she thought, the cheque was supposed to go through so people could get paid. The second one, she just disappeared with the chequebook totally. So, I ended up, because you have to look at it from my point of view, the money was coming in from DCD into a P&C account and was destined to go to Hurson for supplying the services, and if I prevent that money from going through myself, I might be being unlawful, because I am retaining that money in the P&C when it is supposed to transfer straight through, so I would effectively be breaking the law if that money did not transfer, but Michelle is playing cat and mouse.

**Hon PETER COLLIER:** Can I just clarify that Michelle is the registrar of the high school?

**Mr Mynard:** Yes, and P&C treasurer.

**Hon PETER COLLIER:** Okay, so she had a dual role, did she? She was registrar of the high school, so she was an employee of DET, and she was the treasurer of the P&C?

**Mr Mynard:** Yes, and when I went and asked for the chequebook, I was told to get out of her office.

**Hon SHEILA MILLS:** How much money are we talking about here?

**Mr Mynard:** One was about \$40 000, and another lot was about \$50 000, and there was the final payment of \$140 000 coming through, but we will get to that one.

**Hon HELEN MORTON:** Do you know why she was doing that?

**Mr Mynard:** No.

**Hon HELEN MORTON:** Did you ask her?

**Mr Mynard:** Yes.

**Hon HELEN MORTON:** What was her response?

**Mr Mynard:** I did not get an answer, or she would say, "I haven't seen the invoices", yet I knew she had them; she had them in her office. I have never quite understood why she was doing that, but, in that, she was also poisoning me, I suppose, for the rest of the committee, too, because I was even accused of being on Michael's payroll, which to me was laughable, but disgusting.

**Hon HELEN MORTON:** I was actually going to ask some questions - not quite along those blatant lines - but given the significant amounts of money going through, I was really looking to see who was a businessman. It sounds like Merv Hammond was not a businessman. Are you a businessman? Do you have a business or something?

**Mr Mynard:** No.

**Hon HELEN MORTON:** Was somebody with a business background involved at the P&C level, monitoring and scrutinising and sort of -

**Mr Mynard:** No, but that was part of the submission that I put in to the feds, for the money they had available. Part of that \$500 000 submission was to put somebody in that position to oversee all of the moneys associated with Balga Works, and of course to make sure that everything was acquitted properly, but that money never came through, even though Chris Ellison had sort of given us a nod and a bit of a wink to say oh yes, that would be all right, but somehow that got mislaid, or it did not come through. Whether that was a Chinese whisper through the corridors of Parliament or not I can only surmise.

**Hon SHEILA MILLS:** The money from DCD that went through the Balga P&C account, was all that money eventually paid to Hurson?

**Mr Mynard:** The last payment, I do not know. For me, the last payment was the last retrospective payment. I believe that that took in some of the earlier moneys that should have covered the money to the P&C that should have been returned. There was also money that should have been returned to the school. Now, I am not certain on that, but I was duty bound in my position, because of the



agreement that Michelle and Geoff had made, to pass that money through unquestionably, and I found myself in a very untenable position, because my interest is the kids, not Hurson. Now, if I could return the money to the P&C - that was part of that last retrospective payment, and the other part of it was to the school - then yes, I would have to go that way, but I was not in a position where I could do that.

**Hon SHEILA MILLS:** So to get it clear in my head, the DCD money was paid retrospectively to the P&C account, and that was to go to Hurson, to return money to the school, to the P&C -

**Mr Mynard:** Yes.

**Hon SHEILA MILLS:** And you are not sure whether that money was paid to the P&C or to the school - is that right -

**Mr Mynard:** From Hurson?

**Hon SHEILA MILLS:** Yes, from Hurson.

**Mr Mynard:** No idea. I do not believe that Hurson would have reimbursed the school and the P&C, without being compelled to, but at law you would understand that even if the P&C had a claim against Hurson, or the school had a claim against Hurson, I was still duty bound to pass that money through to Hurson and then try and reclaim the rest through the court.

**Hon SHEILA MILLS:** Okay. Also, I think you mentioned earlier - correct me if I am wrong - that that money to go to Hurson was also to pay wages to the staff who had not been paid? Was there a component of that as well?

**Mr Mynard:** No. I think it was the ones who were currently, or still employed up at - I am not sure. I suppose part of that should have gone to those people.

**Hon SHEILA MILLS:** Part of that should have gone to those people still at the accommodation units?

**Mr Mynard:** Probably, yes.

**Hon SHEILA MILLS:** Are you aware that any of them were paid by Hurson out of that money?

**Mr Mynard:** I believe that those that were still employed at the end, I am led to believe that they were fully paid.

**Hon SHEILA MILLS:** Thank you.

**The CHAIRPERSON:** Was there any other department or entity apart from DEC that paid money into the P&C accounts?

**Mr Mynard:** There should have been lots of them, but they all -

**The CHAIRPERSON:** So DCD was the only one that actually -

**Mr Mynard:** Yes, apart from the DET money that went through the P&C account earlier on. There was also federal DET money that went through.

**Hon KEN TRAVERS:** The DEWR money?

**Mr Mynard:** Yes, the DEWR money went through and was acquitted.

**Hon KEN TRAVERS:** How much was that, do you recall - roughly? Was it large amounts or small amounts?

**Mr Mynard:** \$20 000, \$40 000, \$60 000, \$50 000. I would only be guessing.

**The CHAIRPERSON:** I think you said DET money as well?

**Mr Mynard:** Yes, federal DET.

**The CHAIRPERSON:** Federal education, but not state?

---

**Mr Mynard:** Not through the Balga Works account as such. That was through the P&C account in the beginning.

**Hon KEN TRAVERS:** So there was federal money paid through the P&C in the beginning? I am confused now.

**Mr Mynard:** No, not in the beginning. The federal money from federal DET came later on. That ran through the Balga Works account. That is all.

**Hon KEN TRAVERS:** Right. ABSTUDY payments were never made into the accounts at all?

**Mr Mynard:** I think a small proportion of ABSTUDY went in when we first opened up the Balga works account, but it was nothing like the \$50 000 that was supposed to go through.

**Hon KEN TRAVERS:** Nothing went through the P&C?

**Mr Mynard:** I am not sure. Once again, at that time I left it all up to Michelle. I had no reason to believe that anything was not going the way it should be.

**Hon PETER COLLIER:** Did the P&C receive any funding from any other sources like Lotterywest or Smith Family or any other institution for Balga Works?

**Mr Mynard:** I would say not that I am aware of off the top of my head.

**Hon PETER COLLIER:** Was there funding from any other source at all apart from government departments?

**Mr Mynard:** No. There were in-kind sort of suggestions. I do not know whether they actually ever came through or not, but not actual cash that I am aware of.

**Hon KEN TRAVERS:** Did the P&C have a legal contract or any written document outlining the relationship between it and Hurson?

**Mr Mynard:** We tried.

**Hon KEN TRAVERS:** Or any other entity, I should say, because it is not -

**Mr Mynard:** Yes, with DCD. I signed off on the agreements and the contracts for the kids, to look after the kids, and that was through the P&C, with my name on it. Now you can sit there and say, "Why the hell would you do that?" Well, you would have to look at the kids that I was signing onto the agreements with DCD that we were now going to get the money for had been in the program from say, December, or September, and I am signing off on the contracts in January the following year, so we had been looking after these kids anyway, with no money coming through.

**Hon KEN TRAVERS:** Are we talking about the end of 2006 here and 2007, or the end of 2005?

**Mr Mynard:** The beginning of 2006, I think; the end of 2005, the beginning of 2006.

**Hon KEN TRAVERS:** They had come into care at the end of 2005, and you had signed the contracts in 2006?

**Mr Mynard:** Yes, and then the money started to flow through.

**Hon KEN TRAVERS:** So the contract was with you - or the P&C -

**Mr Mynard:** Yes, but kids had already been in the accommodation for probably three months, with no money coming in.

**Hon HELEN MORTON:** Did the contract have anything in it that indicated that you would be forwarding on the service delivery and the money would go to Hurson or to some other entity?

**Mr Mynard:** Not formally, no. In fact, it sort of ended the other way that you could not do that, but in discussions with DCD, and we also rang through to our insurance guy to make sure that we were covered that way, and I pretty much read him the whole contract over the phone and he said, "Yes, well, DCD know where it is going, they know who is involved, they wear the can."

---

**Hon KEN TRAVERS:** So you would then -

**Hon HELEN MORTON:** Sorry. You said something like it indicated it could not go that way. What do you mean?

**Mr Mynard:** To me it seemed to suggest that you could not subcontract it out, but once again, the department knew the way it was operating, and it was a holistic approach, and it not been done before. We were breaking new ground. It was both evolutionary and revolutionary.

**Hon HELEN MORTON:** Have we got a copy of this contract?

**Mr Mynard:** The DCD contract? You must have.

**Hon HELEN MORTON:** Can we get a copy of the contract?

**Mr Mynard:** Yes. I was well aware that I was probably treading on some crusty ground, if you like.

**Hon HELEN MORTON:** In subcontracting it out?

**Mr Mynard:** Well, in signing the contracts with DCD, but, as I said, the kids were already in the program.

**Hon HELEN MORTON:** Did you have then another contract between the P&C and Hurson?

**Mr Mynard:** I tried to get something like that drawn up, yes.

**Hon HELEN MORTON:** Yes. That is what you said before.

**Mr Mynard:** But it just never came forward.

**Hon KEN TRAVERS:** So that five per cent was just a verbal arrangement that you had in place?

**Mr Mynard:** Yes. It was a method of trying to come up with a win-win situation.

**Hon PETER COLLIER:** So then you would get an invoice from Hurson, and you would pay Hurson accordingly, would you? That invoice would come in from DCD?

myna: Yes.

**Hon PETER COLLIER:** Did you get those invoices regularly?

**Mr Mynard:** I suppose probably not as regularly as we would like. Okay, DCD would not pay the money into the account until they had vetted the invoices, so for my part, okay, DCD have had a look at it, they have gone, "Okay, that matches our records; we will pay the money through", and then we would forward it through. Now sometimes there may have been seven to 14 days before the actual invoice would come through to the school.

[12.15 pm]

**Mr Mynard:** So, there would be a delay on that, but they would be there.

**Hon PETER COLLIER:** So, I was wondering why most of the money was not paid until after the program closed.

**Mr Mynard:** That was the last lot of invoices, I believe. That was the timing on the invoices. Now, what happened to that money? I do not know. Maybe you can find out whether the P&C retained - I have been sort of - the whispers say the P&C retained their bit. I do not know how much that they passed on to Hurson or whether they did or whether they passed it back to the school. To me, there were three legitimate claims on the money: the P&C had a legitimate claim on it, the school had a legitimate claim on it, and Hurson had a legitimate claim on it. So, that was out of my jurisdiction, sorry, barleys, I am going home.

**Hon SHEILA MILLS:** You just said that you were looking after the kids for three months in the accommodation before you got any money from the DCD. How did you fund that three months?

---

**Mr Mynard:** Michael had it covered.

**Hon SHEILA MILLS:** Michael - go to Burswood, did he?

**Mr Mynard:** Michael had it covered.

**Hon KEN TRAVERS:** So, were you - was there ever an original meeting with DCD to set this all up?

**Mr Mynard:** Yes, I suppose there would have been. I am just trying to think back - do not forget I was doing so many meetings at the time; it was unbelievable - but yes, there was definitely some contact between DCD and even DET when we sat around the table as to exactly how the program was running. That was federal DET - or was it DEWR, sorry, it was. Bryan Hunter from DEWR was there quite regularly too, and people from DCD, of course, were regularly there.

**Hon KEN TRAVERS:** So, in terms of before the kids went into care at the accommodation -

**Mr Mynard:** I do not know. I do not know. I actually wondered how we ever got into that accommodation bit.

**The CHAIRPERSON:** Yes.

**Hon KEN TRAVERS:** I was actually going to ask you that because we got to November '05 and we, you know - the program by that stage had accommodation. When did the accommodation start?

**Mr Mynard:** Michael said, "We've got this accommodation going; come up and have a look", so we all piled in the car and went up and had a look at the units and said, "Wow, this is incredible." We went through the whole scenario of how these units were in proximity to the university, to the police training up there as well, that sort of thing. There was extra patrols around there, the kids seemed to get on well with the other students, mind you, around there at the time. It seemed to be ideal, and he had it covered.

**Hon KEN TRAVERS:** So, how did you end up becoming the entity that the kids, that was - well, you as the president of the P&C -

**Mr Mynard:** Call it evolution.

**Hon KEN TRAVERS:** -become the entity that was, say -

**Mr Mynard:** What? Me responsible for it?

**Hon KEN TRAVERS:** You say you were looking after them for three months -

**Mr Mynard:** Yes.

**Hon KEN TRAVERS:** Who was looking after them?

**Mr Mynard:** Michael was.

**Hon KEN TRAVERS:** So, when did you -

**Mr Mynard:** When did I get -

**Hon KEN TRAVERS:** - as the P&C become the entity that was looking after them?

**Mr Mynard:** When we started having to sign contracts, because they could not - DCD could not sign the contracts with Michael.

**Hon KEN TRAVERS:** Right, so how did -

**Mr Mynard:** They had to go through the P&C to do it.

**Hon KEN TRAVERS:** And how did you like that? Can you recall the first time that that was brought to your attention and you were asked to become involved?

**Mr Mynard:** Probably it would have been January '06.

**Hon KEN TRAVERS:** So, the kids would have been in care for a couple of months by that stage?

**Mr Mynard:** Mind you, we had also paid out the \$35 000 into the accommodation and it was one of those ones. I suppose I took it personally now to watch Balga Works till we got the money back because he now had the P&C roped in, so to speak. We could not shut him down, because if we shut him down we were not going to get the money back, so it was either support it and hang on and hope that it will all work itself out or just say goodbye to the money, and I could not do that. Sorry.

**Hon SHEILA MILLS:** It is all right. Given you were the ones that signed the contract with DCD for the accommodation - so you were sort of the legal entity there - who signed the rental agreement for the units?

**Mr Mynard:** Not me.

**Hon SHEILA MILLS:** Was it - it was Hurson?

**Mr Mynard:** That was - well, it was Michael. I do not know whether it was through Hurson; I think he set up another company.

**Hon SHEILA MILLS:** He has got another company?

**Mr Mynard:** I think he set up one, yes, for the rental agreement, yes.

**Hon PETER COLLIER:** IT Works?

**Mr Mynard:** Well, he wanted the P&C to - that was the suggestion put on the table - and they wanted a five-year lease, and I said, "No way, no way in the world will -

**Hon KEN TRAVERS:** When was that?

**Mr Mynard:** That was - it was after that December it - probably about half-way through the year I have got it.

**Hon KEN TRAVERS:** Through which year?

**Mr Mynard:** '06, yes.

**Hon KEN TRAVERS:** So, that was after the program was already up and running.

**Mr Mynard:** Yes, yes.

**Hon KEN TRAVERS:** And then looking to go into a long-term -

**Mr Mynard:** And then there had been a been a bit of angst with Bloodstone or, sorry, people; I think it was - I am not even sure of the real estate agents that were handling it.

**Hon KEN TRAVERS:** Bridge - Bridgestone or something like that?

**Hon SHEILA MILLS:** It begins with "B" anyway.

**Mr Mynard:** Yes, that is right.

**Hon KEN TRAVERS:** It ends in "stone".

**Mr Mynard:** Yes, it ends in "stone", yes.

**The CHAIRPERSON:** I do not think it is either of those, but something like that.

**Mr Mynard:** Yes.

**Hon KEN TRAVERS:** We have received -

**Mr Mynard:** A bit more information on that one, yes.

**Hon KEN TRAVERS:** Thanks, I read somewhere about who the people were.

**Mr Mynard:** Yes, but that was a suggestion that the P&C take on the lease and that was just a - I would not even put it to committee. There is no way. They wanted a five-year lease and -

**Hon HELEN MORTON:** Five years - too much.

**Mr Mynard:** Yes, five years. To tie a P&C into something like that would be ridiculous.

**Hon SHEILA MILLS:** Can you remember the name of this company that he set up for this, by any chance?

**Mr Mynard:** Would not have a clue.

**Hon HELEN MORTON:** Can you just say - was it your understanding - and at what time, if it was your understanding that this had the backing of government?

**Mr Mynard:** I never thought it never did.

**Hon HELEN MORTON:** Yes, but why did -

**Mr Mynard:** I always thought it did.

**Hon HELEN MORTON:** Why did you? What made you think that it had the backing of government? Give me a whole range of reasons why you thought that it had the backing of government?

**Mr Mynard:** I suppose the simple answer to that is that, as far as I was aware, everybody knew what we were doing and nobody said, "No, stop." That would be the simple answer, but -

**Hon KEN TRAVERS:** Who is everybody?

**Mr Mynard:** Well, where are you going to start?

**Hon HELEN MORTON:** Which government departments do you think were -

**Mr Mynard:** Well, no - even members of Parliament had been out to the school. I even got John Day - he is one I invited out to the school to show him the program. Chris Ellison, Michael - the local member -

**Hon PETER COLLIER:** Keenan.

**Mr Mynard:** That is him. Alan had been out at the school on different occasions. I am not sure whether -

**Hon HELEN MORTON:** Who is that?

**Mr Mynard:** Alan Carpenter.

**Hon HELEN MORTON:** All right.

**Hon KEN TRAVERS:** You are not sure what, sorry?

**Mr Mynard:** I am just trying to think of the timing there. I am not sure whether it was with the Balga Works saga or not. The only ones I have never met, as far as ministers go, would be Ljiljanna and the current one, McGowan.

**Hon KEN TRAVERS:** So, are you saying Alan, as the Minister for Education, came out to the school, or as Premier?

**Mr Mynard:** On several occasions, yes.

**Hon KEN TRAVERS:** Yes, or as Premier?

**Mr Mynard:** But everybody, as I say - district office knew what we were doing; McCaffrey in the department knew what we were doing, you know, because there was all the finance.

**Hon KEN TRAVERS:** But hang on. When you say "knew what you were doing", do you mean knew the general thrust of the program or the details of the program?

**Mr Mynard:** I should imagine those in the chain of command knew the details of the program.

**Hon KEN TRAVERS:** But I mean your - is that your assumption that Merv was telling people or that you were aware that they were aware? I mean, by other means, or is it just your assumption that you assume Merv was telling them what was going on?

**Mr Mynard:** No, actually, I would go on Gary Taylor, because Gary Taylor was put in there. Gary Taylor did not, as far as I was aware, did not answer to Merv; he answered directly to John Garnaut at district office. So, Merv could not tell Gary to do anything as such, and it was Gary reporting back to John Garnaut, who would then transfer up the line, because I do not believe that John would do anything on his own either, so John would relay that information, because he would always protect his.

**Hon KEN TRAVERS:** So, when did John - Gary Taylor arrive at the school?

**Mr Mynard:** I think that was the beginning of '06.

**Hon KEN TRAVERS:** Right, so that was once everything was in place?

**Mr Mynard:** Well, it was already up and running, and yes, it needed some management position in there.

**Hon KEN TRAVERS:** So, in terms of setting it up though, you - I thought you were implying earlier that when that was all getting set up, people would have known what was going on?

**Mr Mynard:** Well, we did not keep any secrets.

**Hon HELEN MORTON:** So, which government departments do you believe knew about what - the way it was being set up and how, and everything?

**Mr Mynard:** The process to begin with - you can go back, it was - we did not go out to set up Balga Works. We went out to look at a rehabilitation program that re-engaged with kids. In the initial stage it did not have a name, then it took on the name of Swan Works, which - well now, Swan Works was a bigger plan and that was rejected, as far as I am aware; that was rejected through even the bit that I think Alan said that. He was not happy with it, but then, that was a bigger, more expensive program, so it was allowed to continue as a boutique program within the high school; not as a huge program as such. And then you have to look at the money that was going in there. All of the money that was going in was not extra money, as such; it was departmental money that was bums on seats money; FTE money. If you do not have the kids in the school then you do not get the money. So, it is bums on seats money that the department would have to pay anyway being directed into a different sort of program; not extra money. The same with the DCD money; that was all money that DCD would need to pay out to accommodate and look after the kids anyway. It was not extra money; they needed to pay somebody to do that; it was just that it was going through the school.

**Hon HELEN MORTON:** Did the Premier go out there as Premier? After he -

**Mr Mynard:** Not that I recall.

**Hon HELEN MORTON:** - became Premier, did he go out there and see?

**Mr Mynard:** Not that I recall. I know, in fact, you found out a few times - I would not want to be quoted on the - when exactly he came out.

**Hon PETER COLLIER:** Did the P&C have anything to do with John Garnaut at all, the district director?

**Mr Mynard:** Sorry?

**Hon PETER COLLIER:** Did the P&C have anything to do with John Garnaut, the district director? Did you have any connection with him at all?

**Mr Mynard:** Yes; well, I have known John for years, yes.

**Hon PETER COLLIER:** I know, I mean with regards to the Balga Works program and the P&C's role in Balga Works program. Was there any connection with the district director?

---

**Mr Mynard:** Well, he was certainly aware of it and, to me, he was representative when Gary Taylor was there. So, anything that was happening around Gary Taylor, to me, was happening directly to John Garnaut. That is what -

**Hon PETER COLLIER:** I am interested to understand what you mean by that, I mean, because he would have been appointed by head office - Gary Taylor - as -

**Mr Mynard:** Yes, but he was responsible to John Garnaut, as far as I am aware.

**Hon PETER COLLIER:** But did he tell you that or how were you aware of it?

**Mr Mynard:** Well, that is what I was told.

**Hon PETER COLLIER:** I beg your pardon?

**Mr Mynard:** That is what I was told because Gary was sat in there to manage - there was 14 different programs running within the school - and Gary was sat in there to try and get a handle on that because they had needed a central manager. Now, I believe that he was responsible to John Garnaut directly, not to Merv, even though he was the deputy head; he had a responsibility directly to district office.

**Hon PETER COLLIER:** And he was on the management committee, was he not?

**Mr Mynard:** Yes.

**Hon KEN TRAVERS:** But that was only close to January '06 or the start of '06?

**Mr Mynard:** Sorry, yes, I think so.

**Hon KEN TRAVERS:** So, by that stage the program would have been up and running for a year?

**Mr Mynard:** Yes.

**Hon KEN TRAVERS:** The accommodation already being put in place?

**Mr Mynard:** Yes.

**Hon KEN TRAVERS:** The kids were already living in the accommodation -

**Mr Mynard:** Yes.

**Hon KEN TRAVERS:** - and then he was brought in?

**Mr Mynard:** Yes.

**Hon KEN TRAVERS:** But in terms of that period when it was all being established -

**Mr Mynard:** Gary Taylor was not in yet, no.

**Hon KEN TRAVERS:** So, the only lines of communication would have - to anyone outside of the school to know would have been through Merv Hammond? Were there any other conversations or people outside of the school that would have known prior to that - till before Gary Taylor was put in?

**Mr Mynard:** Yes, because we were running around with the Balga - sorry, was it the Swan Works program?

**Hon KEN TRAVERS:** The Swan Works program; that is correct. But that was still being developed, was it not?

**Mr Mynard:** Well, everybody was still talking about that and that - the plans for that were still there.

**Hon KEN TRAVERS:** That is right, so you have got the Swan Works over here, and that is getting talked about and put together -

**Mr Mynard:** Well, that includes -

---



**Hon KEN TRAVERS:** - and then you have got Balga Works, which is a -

**Mr Mynard:** No.

**Hon KEN TRAVERS:** - as you have just said, was a program within the school. The existing budget -

**Mr Mynard:** No, Swan Works was a bigger overall program that the district office said no to, eventually, but I think even Alan said that. But instead of that being that big it came back to the local school.

**Hon HELEN MORTON:** And did people say yes to that local school one?

**Mr Mynard:** As far as I know, yes. It was, "Well, you cannot have the big program but you can do your own thing."

**Hon KEN TRAVERS:** But what makes you say that?

**Hon HELEN MORTON:** Can you indicate how you know that the small one was approved?

**Mr Mynard:** Once again, nobody said no. When Michael was engaged even just to start to go ahead and coordinate it, we thought he was coming into the school, for the program had initially started by that stage, only it was going ahead as Swan Works and then they said, "No, you cannot have that", so it continued as Balga Works.

**Hon KEN TRAVERS:** As an internal school program within the school's existing resources?

**Mr Mynard:** Yes.

**Hon KEN TRAVERS:** But from what you have said, what Carton was doing was going way beyond what was within the existing school resources and -

**Mr Mynard:** Yes, but then he was -

**Hon KEN TRAVERS:** I cannot remember what your term was, "it will be all right", or whatever the term was -

**Mr Mynard:** He was supposed to be resourcing it?

**Hon KEN TRAVERS:** Yes.

**The CHAIRPERSON:** Mr Mynard, sorry, I might just interrupt you for one moment there. Members, I need to go for about 15 minutes. I am going to hand over to Ken to continue chairing. I apologise for that; I will hope to be back shortly, if you are still here. If not, thank you very much for your assistance.

**Mr Mynard:** No worries. How long am I here for?

**Hon HELEN MORTON:** I have only just got one more question and I would like to know when - you have talked about Michelle Green having an obstructive role.

**Mr Mynard:** Yes.

**Hon HELEN MORTON:** Did Michelle Green resign from the role as the treasurer for the P&C?

[12.30 pm]

**Mr Mynard:** No.

**Hon HELEN MORTON:** Is she still in that role now?

**Mr Mynard:** I do not know.

**Hon HELEN MORTON:** Until the time you left, was she still there?

**Mr Mynard:** Yes.

---

**Hon HELEN MORTON:** What time did you leave? What month? I do not need to know the exact date.

**Mr Mynard:** February, I think.

**Hon HELEN MORTON:** February 2007?

**Mr Mynard:** The last lot of money had not come through or was due to come through and there was a bit of a debate about what they were going to do with the money.

**Hon PETER COLLIER:** What was the debate over?

**Mr Mynard:** They wanted to retain it.

**Hon PETER COLLIER:** The P&C wanted to retain it?

**Mr Mynard:** Yes.

**Hon PETER COLLIER:** As in they did not want to pass it on to Hurson?

**Mr Mynard:** Yes. I believe the last discussion I had was Michelle wanted to retain the rest for the school. The P&C would get the outstanding money that was owed to the P&C and the rest would go to the school.

**Hon PETER COLLIER:** Do you have any idea how much the P&C is owed?

**Mr Mynard:** Not now.

**Hon SHEILA MILLS:** Why did you resign?

**Mr Mynard:** Once again, I was duty-bound by the agreement Michelle and Geoff Harris had made with DCD in November to pass that money directly through to Hurson, and then they were renegeing on that and the P&C said, "No, you can't. We want to keep the money." Whilst, personally, I would have liked to have kept the money in the P&C account and made sure everybody was reimbursed, I was duty-bound to pass that money through if I had stayed. I did not have a choice. For me to retain that money would have been unlawful. We had to pay it through to Hurson.

**Hon KEN TRAVERS:** They were the ones who actually provided the services for which you had been paid?

**Hon HELEN MORTON:** What pressure were you under directly from Michael Carton?

**Mr Mynard:** None. Michael could not pressurise me in a container. I probably put more pressure on him to at least accept that the P&C retain their money out of it because the agreement was a three-way agreement. It was between Michael, DCD and the P&C. The P&C was quite happy to retain the money and DCD was probably quite happy for the P&C to retain it, but without having Michael having said that it was okay and just pass the rest through, I could not do it.

**Hon HELEN MORTON:** Was Merv Hammond siding with the Michelle Green approach, or was he siding with the approach about sending it through?

**Mr Mynard:** Merv had one of those management-initiated retirements by then.

**Hon PETER COLLIER:** When was that?

**Mr Mynard:** That was in October.

**Hon PETER COLLIER:** Of 2006?

**Mr Mynard:** Yes.

**Hon PETER COLLIER:** Is that when the relationship with Michelle Green started to deteriorate?

**Mr Mynard:** No, it started to deteriorate before that. The worst it got was through the school holidays because of the Balga Works art project. The kids were selling their art online. Now, Michelle was on holiday, I think. I had the cheque book. I tried to contact her several times.

---

Michael came along with a handful of cheques and cash for the artwork and a list of what it was for and which kids the money needed to go to, which you will find in the in the records there because I photocopied all that and sent it on to Michelle and everything else. I wrote out the cheques to the kids or to Michael, depending on where the money was supposed to go for the artwork. Michelle rang the bank and told them that she had lost the chequebook and cancelled the cheques.

**Hon HELEN MORTON:** Did the cheques need a dual signature?

**Mr Mynard:** Yes.

**Hon HELEN MORTON:** It was all dual signatures?

**Mr Mynard:** Yes.

**Hon HELEN MORTON:** Who was the other signature with you?

**Mr Mynard:** Whoever I could get at the time. I would have to pull out the cheques to find out exactly who it was.

**Hon HELEN MORTON:** Were the cheques cancelled?

**Mr Mynard:** Yes. That meant Michael had some very irate parents chasing him around the place, and these were Aboriginal parents, because we had now bounced cheques to their kids for the artwork that they had sold.

**Hon KEN TRAVERS:** What was the end result of that?

**Mr Mynard:** The cheques were eventually honoured.

**Hon KEN TRAVERS:** So those kids have received money for their art?

**Mr Mynard:** Yes. Then I got tracked down by one kid. I had a phone call from the DCD saying that this kid had not got his money for his art. I went back through everything and found that the kid had not actually sold anything, but he still wanted the money. That is another story.

**Hon HELEN MORTON:** After Merv Hammond had a management-initiated redundancy, was he still interested in and involved with the Balga Works side of the business or that side of his interest?

**Mr Mynard:** No, not really. I actually called him back in because when this started to happen, I wanted to get Balga Works as far away from the school as possible. That is when I initiated setting it up as its own entity so it would be Balga Works incorporated in its own right and then it could be mobile and away from the school. I had Merv down as a committee member on that, but other than that, no.

**Hon KEN TRAVERS:** Was that still as a subset of the P&C at that stage?

**Mr Mynard:** No. To establish it as the Balga Works association in its own right and then establish it as the Balga Works association incorporated, and I put in the application for incorporation. They sent me back a form to say that I had the dates wrong or something and so I had to resubmit it. In the meantime, of course, the DCD funding and everything else had stopped, so we were not going to proceed and so I got my cheque back.

**Hon HELEN MORTON:** Did Merv have a position, or did he tell you what he thought should happen with that last payment that you were at loggerheads over?

**Mr Mynard:** No. In fact, Merv was not even aware of that last payment. I have told him since, but I really do not know what happened to it. As I said, it put me in a very awkward position, or an untenable position actually because the P&C, in their direction to me, was going to ask me to act unlawfully, which was something I could not do anyway.

**Hon SHEILA MILLS:** I have one final question. Was the P&C involved in the detox program?

**Mr Mynard:** There was money for a detox program that I believe took them down to Margaret River. They took a couple of kids down there on detox.

---

**Hon SHEILA MILLS:** Was that part of the P&C? Did it fund that?

**Mr Mynard:** Yes, through Hurson.

**Hon HELEN MORTON:** Who brought the money into the P&C?

**Mr Mynard:** I think it was the DCD but, once again, I am not sure of the actual technicalities.

**Hon HELEN MORTON:** I need to ask the Acting Chairman if I can ask this question. I am really interested in what your day job is, so to speak. When you are not associated with the P&C, what do you do for a living?

**Mr Mynard:** Currently I am a part-time supervisor for a community newspaper.

**Hon HELEN MORTON:** What were you doing at that time?

**Mr Mynard:** The same. I was declared invalid a few years ago. I was a carpenter in a previous life but, yes, just community newspapers and I suppose I have large general life experience. Actually, I was hoping -

**Hon PETER COLLIER:** A card?

**Mr Mynard:** No. I have a list of where I have been, I suppose. I will pass that over to you. You can read it. I have been around. Education has been a passion of mine for many years. I have been involved with schools for probably 22 years now, from exclusion panels. One of my passions has been juvenile rehabilitation, but it is more of a passion than a paid position. I suppose I really started to get passionate in the beginning with exclusion panels for the education department when we did not have anywhere to send the kids. That is going back a long time. Can I ask this committee something?

**Hon KEN TRAVERS:** Certainly.

**Mr Mynard:** Have you found any actual misappropriation? For me, although there has been money going through, as I said, it has not been extra money. There was money put into a damn fine program but not enough money was put into it. If the Parliament had been interested in it, like it is now, and had been there when we were looking for money and everybody said, "We will see what we can do to help," we would have had an absolutely tremendous program running. I have never been in a situation before where I have come across a bipartisan attack from a government on a program.

**Hon KEN TRAVERS:** To answer your question simply, the committee has not made any findings on anything. The second part of the answer to your question is that in terms of criminal matters, which I guess is the issue of misappropriation, that is not something that - I think the Chair outlined to you at the beginning - the committee is looking at. In terms of specific criminal activity, it is not something that the committee is able to look into or would look into. We have been established to look at the question of the establishment and operations of the Balga Works program. That is what the committee is still doing. What was it, how was it established and how did it operate?

**Mr Mynard:** Some of it was ad hoc, but it was not ill-conceived. There was a lot of preparation put into it. It was not an ill-conceived plan. It was a feasible plan. Everything seemed to be working extremely well only we had a private service provider that did not pay his folks, and that is why we have ended up in the position we are in. Governments have had that with contractors for as long as I remember. You employ a contractor, you expect them to do something and they do not.

**Hon KEN TRAVERS:** That is one of the reasons why governments put in place accountability mechanisms to minimise the effects of that. Again, I guess we kept getting off the way as we went through the history of it. It does not strike me, from what you have told us today, that there were many accountability mechanisms put in place between either the P&C or the school and the entity delivering the programs to make sure that they were -

**Mr Mynard:** We were there and we were trying to get the job done. This is what needs to be done; okay, this is what we will do.

**Hon KEN TRAVERS:** It relied on trust between yourself, Michael Carton and Merv Hammond to make it all happen.

**Mr Mynard:** Yes. Let us face it, when we started dealing with these kids, there were bigger priorities on the day.

**Hon KEN TRAVERS:** The difficulty is - correct me if I am wrong - the point you just made is that based on the trust between Merv Hammond, yourself and Michael Carton, one of those three entities did not deliver on their part of the deal.

**Mr Mynard:** You have to throw Michelle Green in there, too.

**Hon KEN TRAVERS:** Alright; Michelle. Maybe the P&C and the school and Hurson would be a better way of describing it. The three entities needed to work together. They did not have very many formal arrangements; they relied on trust. Is that a fair statement?

**Mr Mynard:** No, because we were trying to put those formal arrangements in place.

**Hon KEN TRAVERS:** But at the start of the program until the end of it you did not have -

**Mr Mynard:** We did not have the resources to do that. We were just doing the best we could with what we had.

**Hon KEN TRAVERS:** I asked you this question earlier, and I look forward to seeing the documents, if you have them, which outline that whole proposal from the very beginning. I think you said that you were given funding to put together that proposal. Did that ever get put together with that funding?

**Mr Mynard:** Yes, I think it did. I have wardrobes full of it if you really want it. I will definitely have to send through a contract of the DCD one and I will go through and see what I can find.

**Hon KEN TRAVERS:** I am interested in the proposal. You outlined the vision of what was there, but was that ever put on paper as one total vision, or was it on different bits of paper?

**Mr Mynard:** Have you had John Cook here yet?

**Hon KEN TRAVERS:** If we have had private hearings, we are not at liberty to say to anybody whether we have had people before us or not in respect of private hearings, but you are able to look at the transcript of the public hearings.

**Mr Mynard:** John is the one who set it out academically, so to speak, in that program form.

**Hon KEN TRAVERS:** I understand that. So there was a document?

**Mr Mynard:** There are several that I am aware of.

**Hon KEN TRAVERS:** Was there ever one single document that pulled it altogether and said this is the proposal we are looking at putting together?

**Mr Mynard:** I do not know. I will have a look.

**Hon KEN TRAVERS:** All right; but from your perspective, you are not aware of one?

**Mr Mynard:** I will have a look. Maybe you can find out why Chris pulled the \$500 000 in funding.

**Hon KEN TRAVERS:** Chris who?

**Mr Mynard:** Senator Chris Ellison, when he was the federal justice minister at the time.

[12.45 pm]

**Hon KEN TRAVERS:** That was promised to the program, was it not?

**Mr Mynard:** Well - mind you, I did not agree with the submission on those other issues there, but that money, tentatively I suppose, we had a bit of a nod and a wink to say, "Yeah, it'll be there", and it just never happened.

**Hon KEN TRAVERS:** From?

**Mr Mynard:** From federal justice.

**Hon KEN TRAVERS:** From the department or from the minister himself?

**Mr Mynard:** I think it was a ministerial grant.

**Hon KEN TRAVERS:** So it was - but who did you get -

**Mr Mynard:** Chris came out to the school himself - Chris Ellison came out and had a tour of the program; had a look through the boom bus - the whole lot, and as I said to him then, it was a life-changing program, and it was working with the kids.

**Hon KEN TRAVERS:** Right, and at what point was that?

**Mr Mynard:** When the applications were due, I suppose.

**Hon KEN TRAVERS:** Approximately when would that have been? Early in the program, late in the program, the middle of the program?

**Mr Mynard:** Probably the middle of 2006, I think; or the beginning of 2006, maybe even earlier, but a part of it - actually, no, it may have even been towards the end of 2005, because a part of that was putting somebody in place to make sure that all of the accountability was there, because we did not have the resources. Michelle was obviously operating way past her capacity. We needed somebody in there as - I suppose for want of a better term - a CEO, to make sure that the money that was coming in was being acquitted properly and to apply for further grants.

**Hon HELEN MORTON:** One of the things that I hear frequently coming through is the implied - without it being explicit - an implied approval.

**Mr Mynard:** Yes.

**Hon HELEN MORTON:** A nod and a wink, but an implied approval, but I am interested in that both at a federal and a state level. It seems like people were prepared to work on the assumption that these things were going to happen, or that these approvals were going to come along and be put in place.

**Mr Mynard:** Yes.

**Hon HELEN MORTON:** And are you saying that it happened at both state and federal level?

**Mr Mynard:** Yes.

**Hon HELEN MORTON:** You have given us a fairly good account of where you think that was applying in a federal sense. What is the equivalent to that at a state level?

**Mr Mynard:** I am not sure why -

**Hon HELEN MORTON:** In terms of the implied approvals, or the implied sanctioning of the program, what are some of the things that you think implied that you had approval at a state level?

**Mr Mynard:** I suppose the biggest one would have been when Ljiljanna stood up in the upper house and said that the education department has an accommodation program at Joondalup. That would have been the biggest one, and that is in *Hansard*.

**Hon PETER COLLIER:** All of the - any grants that were - any applications for grants, of course, would have been conditional upon criteria being met, would they not?

**Mr Mynard:** Yes.

---

**Hon PETER COLLIER:** And that would have been the same with the federal government as in the case of the state?

**Mr Mynard:** Yes.

**Hon KEN TRAVERS:** I just have a couple of final questions. One was can you just quickly go through any allegations that you are aware of that were made against the Balga Works program, either at the school or at the accommodation, that you are aware of?

**Mr Mynard:** What do you mean? Like -

**Hon KEN TRAVERS:** Any allegations of - to do with anything.

**Mr Mynard:** Any allegations? Only rumour and innuendo about sexual activity and the occasional drug thing. One kid kept on jumping the back fence to knock off beer out of the fridge of the guy behind him.

**Hon KEN TRAVERS:** When did you become aware of those allegations?

**Mr Mynard:** They were just floated through, but then I also looked at it as the nature of the kids that we were dealing with, and yes, one kid did apparently break through the steel grid to spend the night with one of the girls in one of the other dorms, but these kids have been sexually active since they were sort of nine and 10, some of them.

**Hon KEN TRAVERS:** Yes.

**Mr Mynard:** You cannot prevent everything.

**Hon KEN TRAVERS:** Yes. All right. The other one was: following the meeting at Judy Hughes' office, were you ever involved in any other discussions regarding the payment to employ - repay - or, making a payment to employees who were underpaid? After that meeting, was there any other further involvement of the P&C in that issue?

**Mr Mynard:** Not as far as the P&C was concerned, no. No, I personally got on my bike, I suppose - so to speak - to run around and talk to some of the people who had not been paid and took some of the flak, I suppose, from some of those people.

**Hon KEN TRAVERS:** When I say "P&C", either yourself or the P&C. Are you aware of the outcome of that meeting, or anything like that?

**Mr Mynard:** I believe that there was money passed through. It was coming through - passed from DET through to the school, to pay the people.

**Hon KEN TRAVERS:** Right.

**Mr Mynard:** I do not think it passed through to Hurson; I think the school actually paid it.

**Hon KEN TRAVERS:** Right.

**Mr Mynard:** But as I say, do not quote me on that. Michelle will have all of that.

**Hon KEN TRAVERS:** No, but to your knowledge, that is what happened?

**Mr Mynard:** That is what happened, yes, except for the superannuation and taxation component, which I think Michael is still liable for.

**Hon KEN TRAVERS:** Right. To your knowledge, did the P&C ever pay any moneys directly to people other than to - regarding Balga Works - other than through to Hurson or into these associated with Michael Carton?

**Mr Mynard:** No, we paid some employees directly.

**Hon KEN TRAVERS:** What were the circumstances - were you aware of the circumstances for that?

**Mr Mynard:** Yes, it was Christmas.

---

**Hon KEN TRAVERS:** Right.

**Hon PETER COLLIER:** Was that last year or the year before?

**Mr Mynard:** The year before, I think.

**Hon KEN TRAVERS:** And that was the reason you paid it - to get them some money for Christmas?

**Mr Mynard:** Yes. It came down to a choice, actually; \$10 000 of that came from the school, but that was to repair a bus. Now, I did the wrong thing. There were three buses that Michael had purchased. One was - the P&C one that he purchased for the P&C was broken down at Bordertown. They needed the money for the accommodation, and we paid the money for the accommodation, and he wanted or needed 10 grand to get the bus, and I told Merv that we could not do both, and then he said, "Okay, well, I'll give you the 10 grand for the bus; we can do that." I said, "Okay, fine." So we transferred the 10 grand over, and that money was supposed to go to Michael to fix the bus. Then the list of people came along and this was the day before Christmas, or before they were supposed to break up, and nobody had been paid, so I got hold of everybody and sort of said, "We can either pay - give the cheque for \$10 000 to Michael to fix the bus, or we can pay these people, and when - of course when the money comes through from ABSTUDY" - the \$50 000 that never came - "when that money comes in, we can sort it all out there, put it all back into the account, no harm, no fail."

**Hon KEN TRAVERS:** So that was after the meeting at Judy Hughes' office?

**Mr Mynard:** No, this was long before. This was long before. This was the Christmas before. It would be Christmas -

**Hon PETER COLLIER:** 2005.

**Mr Mynard:** 2005.

**Hon KEN TRAVERS:** But did you not - I thought you said to us earlier that the first you became aware of people not being paid was at the meeting at Judy Hughes' office.

**Mr Mynard:** Yes, the ones who had not been paid. Okay; all right; as far as I was aware at that point - that Christmas - there was a - the money had not come through. So it was only a funding cycle problem - not - it was not the money problem. To me - the way it was presented was that this money from ABSTUDY was going to come through, which was a back payment to pay everybody, so it was not nobody being paid - or the funds were not there because the funding cycle was delayed.

**Hon KEN TRAVERS:** Right.

**Mr Mynard:** Got the difference?

**Hon KEN TRAVERS:** Yes; that is fine. I understand that.

**Mr Mynard:** Anyway, from that I went back to the committee and said, "We can either give Michael the \$10 000 for the bus or we can pay these people for Christmas at least, and then when the money comes through, fix it up." Of course, if you were on the committee, which way are you going to vote?

**Hon KEN TRAVERS:** How did you work out how much to pay everybody?

**Mr Mynard:** That was just figures from Michael.

**Hon KEN TRAVERS:** Right. We also probably jumped around; I do not know whether you want to go through and give us any bits about the history that you think we may have missed that we should be aware of.

**Mr Mynard:** God only knows.

---



**Hon KEN TRAVERS:** Right. I think we got up to November 2005.

**Mr Mynard:** Everything sort of jumps backwards and forwards from then, because prior to that there did not seem to be any problem. The only issue seems to be the stuff that I called Merv on, which was the transfer of the money through to the - the donation from the P&C - that sort of thing. Up until then, everything seemed to be running quite smoothly.

**Hon KEN TRAVERS:** Right.

**Mr Mynard:** That is when, I suppose you could say, it started to hit the fan.

**Hon KEN TRAVERS:** Okay.

**Hon SHEILA MILLS:** I just have one question. Sorry; I was not going to ask any more. Going back to the ABSTUDY amount and the 50 grand that did not come through, did anybody get in touch with the relevant agency to find out where it was?

**Mr Mynard:** I kept on asking Michael and he was going to contact them and I wanted to contact them, but then -

**Hon SHEILA MILLS:** He said he would do it?

**Mr Mynard:** Yes, and the last mention of that was - I spoke to Brian Hunter, who was federal DEWR at the time. His wife worked for ABSTUDY earlier. I asked her and she said, "Oh, yeah, I remember something about that." She did not know what had happened to it, so it was just a vague recollection.

**Hon SHEILA MILLS:** Thank you.

**Hon KEN TRAVERS:** So that money never came back in the end?

**Mr Mynard:** No, but then, I am not even sure whether it really -

**Hon KEN TRAVERS:** Was ever coming in the first place?

**Mr Mynard:** Was ever coming.

**Hon KEN TRAVERS:** You also at the beginning said you would like to make a closing statement. Is there anything you would like to say to the committee now?

**Mr Mynard:** Yes, I just sincerely hope that you guys take it on board that this was a program with a lot of good people doing a lot of hard work, and yet people at the moment seem to feel that anybody associated with Balga Works is a criminal, and I think that is terribly unfair. The bipartisan attack from Parliament is something I have never come across in my life before, and you know how long I go back. It seems a shame that so many are being hurt continually with it. They were hurt enough with Michael, and I certainly cannot justify what he has done there - I find it abhorrent; but please take on board that there are still a lot of people out there who put in a lot of hard hours on this, and their hearts were in it, too, and yet they are being made to feel like criminals, and I find that abhorrent.

**Hon KEN TRAVERS:** Thank you for your time this morning. I do remind you that it was a private hearing, so what was said in this meeting is confidential to the committee and until the committee reports, if it reports to the Parliament - it will report - the evidence that was said here, unless we report that particular part of the evidence to the Parliament, it will remain private and confidential within the committee, and you will receive a copy of the transcript from *Hansard*, so you will be given the opportunity to correct any errors in transcription, and if there is anything - as a result of that - any further information you would like to provide the committee or if there are issues you identify that you would like to provide further information or corrections, you can provide that in writing to the committee. Thank you.

**Mr Mynard:** Thank you.

**Hearing concluded at 1.00 pm.**\_\_\_\_\_

---