



STATEMENT TO HSU MEMBERS FROM THE NATIONAL EXECUTIVE

Health Services Union

The allegations against Craig Thomson, the former National Secretary, have been a matter of intense and growing media scrutiny in recent weeks.

Firstly I want to reassure members of the union that the HSU has been scrupulous in following due process in relation to the allegations against Mr Thomson. The union's concerns at all times have first and foremost been the interests of its members and the proper governance of the union.

The HSU first became aware of questionable financial transactions in May 2008 as a result of an exit audit conducted following Craig Thomson's departure as National Secretary. After further internal investigations, the union engaged Slater and Gordon lawyers and BDO Kendall, a respected accounting firm, to conduct an investigation in December 2008 into the financial affairs of the National Office of the union for the period 2002-2007.

That investigation report was provided to the National Executive in June 2009 and established a basis for suspecting that there may have been misuse and or misappropriation of union funds. The National Executive resolved to immediately refer those matters to Fair Work Australia in its capacity as the responsible statutory regulator. Let me emphasise that the HSU referred the matter to the regulator with the relevant statutory responsibility. FWA is the statutory body charged with overseeing matters relating to the finance and administration of trade unions and have statutory powers which enable it to make inquiries and take action that are not available to either the Union or other authorities.

The HSU has, quite properly, been awaiting the outcome of Fair Work Australia's deliberations. The HSU has fully cooperated with the FWA investigation, with several officers giving evidence and the union providing all relevant documents in our possession.

Although we continue to believe that Fair Work Australia is the appropriate investigatory body, and we will continue to fully cooperate with its investigation, we recognise that the NSW Police are currently assessing whether criminal offences may have occurred. In these circumstances and based on the new material that has come to light in recent weeks, and to remove any suggested impediment to the investigations of NSW Police, the National Executive has today resolved to refer the matter to the NSW Police and cooperate with any subsequent investigation.

KATHY JACKSON

NATIONAL SECRETARY

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