



FORMER CEO OF ABORIGINAL HOUSING CORPORATION DISQUALIFIED AND FINED

The Federal Court in Perth has today made orders against the former chief executive officer (CEO) of Murchison Regional Aboriginal Corporation (MRAC), Mr Ashley Taylor, following proceedings commenced by the Registrar of Indigenous Corporations in June 2017.

Mr Taylor has been disqualified from managing Aboriginal and Torres Strait Islander corporations for seven years. He was also ordered to pay compensation of \$182,527.41 to MRAC, a pecuniary penalty of \$250,000 to the Commonwealth and the Registrar's costs of the proceedings. These costs can only be enforced with the leave of the court. Mr Taylor consented to these orders.

MRAC is a charitable corporation registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act). It provides affordable housing to Aboriginal people in the Murchison and Gascoyne regions of Western Australia.

In November 2014, the Registrar authorised an examination of MRAC, which resulted in the appointment of a special administrator. At the same time, the Registrar commenced an investigation into Mr Taylor's conduct during his tenure as CEO—between July 2010 and November 2014.

The evidence presented by the Registrar showed that despite knowing funding to the corporation from the WA Department of Housing was about to cease, Mr Taylor arranged unsecured and interest-free 'staff loans' for himself and another officer that resulted in serious cash flow issues for MRAC. During the time he was CEO, Mr Taylor received 107 separate payments totalling \$211,612.41. The payments were not approved by directors or members.

The Court found Mr Taylor failed in his duties as an officer of the corporation. That is, to act with care and diligence, in good faith in the best interests of the corporation and for a proper purpose. Mr Taylor was also found to have improperly used his position to gain an advantage for himself and someone else, and causing detriment to the corporation.

When delivering his judgment, Justice Barker said, '...the Court will make it quite blunt, not only to Mr Taylor but also to others who might perform similar roles in other corporations [...] as to the nature, extent and seriousness of their responsibilities under the CATSI Act.'

Acting Registrar, Mr Mike Fordham commented, 'Providing housing to disadvantaged Aboriginal and Torres Strait Islander people in the Gascoyne region should have been at the forefront of Mr Taylor's mind. Instead he was selfish and placed the corporation at serious financial risk.'

'My office will continue to pursue individuals that misuse their positions to line their own pockets,' he added.

Background

See the Registrar's previous media releases on the civil penalty proceedings [MR1617-25](#) and freezing orders [MR1516-01](#).

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