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Side A Tape 1

Interview between Andrew Phelan, Patricia Sharp and Rosemary Opitz in the presence of two officers of the NCA (14.7.86).

A: Rosemary, What's your full name and address?

R: Rosemary Opitz, [REDACTED]

A: As I previously explained to you, we are making preliminary enquiries into certain matters in relation to the conduct of Judge Lionel Murphy. You might, I believe you have, some story ^{to tell} in relation to that. Perhaps you might start right at the beginning and explain where you first met the Judge and in what context.

R: I met him first at Poate Road, Centennial Park when his girlfriend Anna Paul.... Well, he stayed with her in that building for some time.

A: Yes

R: Abe Saffron and his mistress Berita Hagenfelds lived in the same building when I lived there. That's how I came to meet him in the first place

A: Right. Now do you know when this was?

R: It would be about 1960.

A: Was Murphy then a member of Parliament.

R: I don't think so.

A: Is this the same address that Ms Hagenfelds still lives in.?

R: Yes:

A: You might explain how, or what happened from then. Perhaps it would be easier if you proceeded chronologically in the way you see the relationship between Murphy and Saffron over that period of time.

R: Well, I would say they were just social friends at that time. I don't know whether it ever became a business relationship. He never discussed business anyhow in front of people.

A: This is Saffron?

R: Saffron or Murphy would never discuss ^{for} anything about business or legal matters. Then over the years I saw him at [REDACTED]

A: Which was?

R: Berita's house, or Saffron's house, however the court sees it. I also saw him at Dinos~~us~~, the Coachman.

A: That's down in Surry Hills?

R: Yes. And there was another Chinese restaurant. I think it was the Four Seasons.

A: That used to be down at

R: It was in a motel.

A: Is that down in Elizabeth Street. Now a Chinese Embassy.

R: I think that's what it was.

A: Right.

R: I didn't know him a great deal, other than he was with Anna Paul for a long time. Then I met him at Abe's, but I didn't really think anything about it. Just another one of the people I saw, which were many people, people even in the public eye.

A: Right, this is many people you saw Saffron with.

R: Yes. He was just one of many. I don't know why they deny it. They were social friends. I don't know why they can't say that.

A: Right. When did you cease being associated with, or knowing, Abe Saffron?

R: Well. The last time I saw him was at Berita's father's funeral. We had a few words. Nasty words. Because I thought he shouldn't be there. But as far as meeting him socially after that, I haven't.

A: When was that?

R: Earlier this year

A: I see. You say you saw Murphy in the company of Saffron. When was the last time you saw ... -

R: A long time ago.

A: About how long

R: Gosh.

A: 1980's, 1970's?

R: It would be in the 70's.

A: Was he a judge then?

R: Well, I don't know whether he was a judge or not. I mean he wasn't introduced as a judge. I met a lot of people, policemen, but I didn't know who they were until I saw them on TV.

A: Yes.

R: I've never really taken that much notice. Lionel Murphy isn't pretty so - look at his face.

A: Alright.

R: Well. I have seen him recently, but just perchance. Berita and I were just coming out of her Barrister's Chambers. He was coming along in the other direction and he just said hello to both of us and kept walking.

A: So early 70s. Well the judge was appointed to the High Court in February 1975. To the best of your recollection was it prior to or after that date.

R: If you can stop that for a minute until I've finished.

A: Oh, we can keep it running. We've got plenty of

R: I'm just trying to work it out by Melissa's age. It would have been just about, yes.

A: About that time?

R: Yes

A: Who's Melissa by the way?

R: Melissa is Abe's daughter.

A: I see.

R: And I remember because she went to a Swiss finishing school round about that time.

A: I see. And where did you see Murphy?

R: Well at [REDACTED]

A: On that last occasion?

R: I really can't remember I really can't remember dates

A: Well, all this predates his appointment. But anyway for the record

R: They definitely knew each other. I don't know why they're so stupid as to say they didn't.

A: Well, how frequently did Murphy attend any of those houses you previously mentioned?

R: Well, I couldn't say how frequently. I wasn't there every day. I saw him a couple of times at Kensington, but he could have been there many times. I wouldn't know that. I think that Berita probably could tell you better than I could. I don't think she would but she could tell you.

A: Right. Who owned this place at [REDACTED] is it?

R: [REDACTED] I think Abe's wife Doreen has a share in it. They used a family company. Can't think of the name of it, but it's been owned. The owners have been changed over the years even though he always owned it.

A: This is Saffron is it?

R: Yes.

A: So you saw Murphy only a few times over that extended period of time from 60's to the early 70's.

R: Yes.

A: Can you put a figure on it?

R: Roughly half a dozen times.

A: On how many of those occasions was Saffron himself present?

R: He was always there. I wouldn't have had any other reason to be in his company.

A: Right. Would you explain the reason for

R: Well. He wasn't a personal friend of mine.

A: Yes.

R: I was taken along as Rita's girlfriend. He was there with Abe. If it was up to me I wouldn't have seen him for any reason.

A: Right. Now Rita, you mean Berita Hagenfelds? And what went on at those

- R: Only social chit chat. I mean the early part of when he was with Anna Paul... like any older guy with a young girl. Nothing in particular. They never discussed any business at any time.
- A: I suppose it's a bit far fetched to ask you to remember actual conversations but what sorts of topics were discussed?
- R: I wouldn't have a clue. I really wouldn't. I really can't remember that far back. It wouldn't have been anything terribly interesting.
- A: Alright
- R: Probably dirty jokes. You know, things that men like that talk about. Mostly they were talking to each other and not to me.
- A: Was James McCartney Anderson present at any of those occasions you were with Saffron and Murphy?
- R: No Jimmy wasn't a social friend of Abe's.
- A: Yes.
- R: I heard that he said that he was at the Venus Room, I could quite believe that.
- A: You could?
- R: Yes. I can't see that he wouldn't have been.
- A: Why do you say that?
- R: Well, Abe's got a funny habit - all the businesses of that type (bars and strip clubs) he visits them every night, so I can see it's quite feasible that he would have been at the Venus Room.
- A: With Murphy?
- R: Yes. I can't see why he wouldn't exclude that from his nightly rounds. If he happened to be with him that night then he would have gone there.
- A: But you don't seem surprised that Murphy himself would have attended those places?
- R: No. I really only got surprised about it that they denied that they knew each other. That's the only thing that surprised me. If I were in a court hearing I wouldn't want someone to start telling me how I should lead my own life. Even if their own backyard is not in order. ↗

A: Yes.

R: They're not the type of people you brag about knowing.

A: I guess so. So your impression anyway over this extended period of time and admittedly a few visits was that Saffron and Murphy were

R: Friends.

A: Close friends?

R: I don't think Abe Saffron has any close friends. I mean

A: Comfortable in...

R: Comfortable in each other's company. But he doesn't have any close friends. Only a lot of hangers on.

A: Were these foursomes, the other times you saw... Were there only four people there?..

R: No.

A: Who else was there?

R: Well usually Lionel Murphy was with somebody. I was never with him as his escort. I just dragged along.

A: With Bereta Hagenfelds? So there would be Berita, yourself, Saffron, Murphy, Anna Paul, ?

R: Anna Paul.

A: Anna Paul, on all occasions?

R: No. Anna Paul and Lionel Murphy broke up. She's apparently writing a book about it. Lionel Murphy (inaudible)...

A: Who else is writing a book?

R: Me.

A: About Lionel Murphy?

R: He'll come into it. If I live that long.

A: Ah well. Hope so. So do you.

R: When did they break up?

R: It was before I got married 1965. It was prior to that.

A: And who was he with after that?

R: Oh. Lots of different girls.

A: His present wife?

R: Ingrid? I never saw him with Ingrid.

A: The other girls, can you recall their names?

R: No. The only girls I know were the ones I was close to, Berita, Anna, people like that. The others, I realised they were there just for the night. I never took any notice of them. Nobody I knew. Nobody stood out.

A: And these were sort of dinner parties you were attending at these various places at Kensington and Moore Park was it, Centennial Park sorry.

R: Yes. They were all going ^{out}/rather than staying at home. Just nights out.

A: Do you know of any other people who may be able to shed some light on an alleged relationship between Saffron and Murphy.

R: Just a couple of people, but I don't know whether they'd cooperate.

A: You might mention their names.

R: Don't tell them I told you.

A: No, certainly not.

R: Vic Bogan. He shares the building with Mr Saffron, I forget which business. I can find it out for you but I can't think of it. Willy Wampfler.

A: Can you spell that last name?

R: I can't spell it. It's alias Willy Fennell. I think that they would be more helpful than myself. More likely to remember dates and times and they were people who featured in the entourage

A: Entourage?

R: With Abe. He always goes out with some hangers on and Willi was always there, going to dinner.

S:ask for a car or something.

R: No. He would come to dinner. That's the only way Abe's not mean. He doesn't mind how many people come to dinner.

A: Saffron?

S: Are they both still in Sydney?

R: Yes. I know the guy's still down at Dynacoustics.

R: Yes.

A: That's Fennel is it? ...At Dynacoustics

R: Yes. Dynacoustics. Princes Highway, St. Peters

A: Any others that spring to mind?

R: There was Jim an American guy, a pilot. He was around a lot too. It's very hard to remember because I really didn't take that much notice.

A: Sure.

R: You know, when I saw that policeman at the house..

A: Which one was this?

R: Bill Allen. I just knew him as Bill. It wasn't until I saw him on the tele that I said 'God'!

A: Was Morgan Ryan ever present at these.

R: Yes. Morgan Ryan was present very often - Morgan and

A: At these functions with Saffron and Murphy?

R: I don't recall him being at functions with Lionel..No, separately. He could have been. He could well have been at the house. So it's possible. I wouldn't know. I mean I wouldn't say that

A: Sure.

P: When you referred to the house, you're talking about Centennial Park, or L Street normally.

R: I'm talking about the house. In Centennial Park, it's a tiny flat

A: Alright. Any other names you can think of? What about the fellow named West?

R: Granville. What's Granville's other name?

P: Did he live in Sydney?

R: No.

P: Grant?

R: (inaudible)..

S: (inaudible)..

R: No. He would have been involved in Perth or Adelaide.

A: The friends in Queensland should shed some light on that? Yours, I mean.

R: I don't think they could shed any light on this, no. There would be no possibility.

A: Alright

R: Actually they're both alcoholics so they're not terribly reliable.

P: This American Jim might be present?

R: Its a possibility, as I said, Jim just turned up. He was a pilot so he just, when the plane was here he might have.

P: But he didn't live here?

R: No. He was married to someone in the Philippines.

A: Alright. Have you got any more questions....

P: I'd just like to get.....in some context, roughly when [REDACTED] do's were about 1960?

R: Yes.

P: L Street, roughly when?

R: I'm trying to work out when the house was purchased. It's very difficult to remember.

A: What's the address actually again?

R: [REDACTED]. Melissa was 7 or 8. Now she's 23.

P: 1970 71?

R: There was a constant stream of them coming through. I never really took that much notice to be honest. It was only the people I've served coffee to or drinks to that I remember. Being paid to do it. Because I resented it - I wasn't being..

A: Alright..... And the Coachman...

P: Was it one occasion each time?

R: I think it was Season could have been twice. There was a Spanish Restaurant. It was in one of those streets by the Regent.....just a little nondescript place.

A: Alright. O.K. Well, I've got no further questions. Have you got a phone number I can have?

R: Yes. [REDACTED]

A: Good. O.K.

R: It's sometimes difficult to get through.

P: And you don't think Mrs Hegenfelds would help us?

R: I think, look, to be honest with you. If she wins the case, or they settle out of court you might have a chance, but up to then I think you would understand her position which she doesn't want to jeopardise and make Abe angry with her. So I think she would conveniently get amnesia.

A: Alright. I think on that basis we might finish.

2814A

~~A: Alright. I think on that basis we might. O.K.~~

2814A

WEST

Mr WEST Tape

Roughly corrected.
Jordan E Howard. (ABE SAFFRON Assoc.)

Interview 22.7.86.

Q. Do you mind if I put this on for notes?

A. Go for you life.

Q. You probably recall the conversation anyway I think it went along the way, "You know Murphy, as you probably know, Murphy's Abe's man."

A. Yeah what age is he.

Q. Yes what ever his name is and then there was questions about Abe Saffron's association with Murphy, we just want to talk a bit further along the lines of that conversation. Perhaps I'm going to duplicate some of the things that have already been said and asked of you before and I'm sorry about that but I think thats the sort of role we need to pursue. ~~(tape turned off) Let me(?)~~ ^{would you} briefly ^{tell us} about your association with Mr Saffron, I understand that there was commerical venture that you had with him.

A. Oh hell that gos back to 1958 when I first bought into the Raffles Hotel.

Q. When you bought in Mr Saffron was the owner at that time was he?

A. Yes him and a chap by the name of ~~Cornhowser~~ ^{Kornhowser} which I think I explained to Bob Ryan, and chap by the name of Maurie ^{Katson} ~~Kixon~~ and myself bought fifty percent out. And that was ~~Cornhowser~~ ^{Kornhowser}'s share.

Q. Did you know Saffron before then ~~or was it....?~~

A. No.

Q. Which year would that have been?

A. It was about 1958.

Q. Right.

A. February, sometime February, February 28th thereabouts.

Q. And you were associated with that hotel from '58 or that time up until

A. Till I sold out, may share anyhow that was 1978.

Q. Did you see Abe Saffron after that time?

A. Yes, he was over, say three or four times a year.

Q. Right.

A. And has been doing that right up till now.

Q. And so you continued to see him after you sold your share of the hotel?

A. Yes, yes I often go down there, get to know the people. I run it for about four years I suppose. I sold out in '78, February 28th.

Q. Did you ever meet Mr Justice Murphy?

A. No, not to be introduced to him, I knew of him, that's when I saw him at Lodge 44.

Q. And on that occasion, as you say in the statement, he was sitting on his own?

A. Yes

Q. Wasn't approached by Mr Saffron?

A. No I don't think so.

Q. And you didn't ever see him in Abe Saffron's company?

A. No.

Q. Or talking to him?

A. That's about the only time I saw him at Lodge 44 which Saffron still owns.

Q. Right. Did Abe Saffron ever talk about his friendship or association with the Judge?

A. No.

Q. He didn't say they were good friends, colleagues or business partners?

A. No, but at the time and I think from there on, and I think it was in the papers quite frequently too, that he was known as Abe's man, put it that way.

Q. Yeah.

A. I took particular notice of him because in the hotel business you get to know people facially, you know facially....

Q. Sure.

A. And his face always intrigued me because he had no chins, what he had about three in fact.

Q. He is someone you obviously would have recognised if ~~you'd~~, when you'd seen him?

A. Yes, when you are in the hotel business you get to know faces pretty dam well.

Q. Yeah. Did Abe Saffron ever talk about any favours that he had done for the Judge or that any favours that the Judge had done for him?

A. No not to me.

Q. Didn't brag of a close friendship and so on?

A. No, he had sent over, some commissioner now I forget his name

Q. Bob Hunt, Bob Ryan *Knew anyhow*

A. Yeah Bob Ryan, is it Allan, I think it was, he used to come and stop at the motel ^{*(the Raffles)*} for apples, probably about once or twice a year, something like that.

Q. Did Abe Saffron, didn't talk to you about other commerical enterprises he had, whether he had other hotels or other

A. Over there?

Q. Yes over in the east.....

A. Yes he was interested in a couple of pubs as well. When I bought in, his son-in-law, who married to Abe's sister Beryl, they bought a pub in a suburb of Sydney, somewhere just out of Sydney, I don't know I can't remember the name of the pub but I think he was involved in two or three pubs around Sydney.

Q. Did he ever talk about his partners in those ventures or his colleagues there?

A. No, Abe's pretty close, that way.

Q. Did he ever talk about the Venus Room?

A. Yes I've been there, I knew all the night clubs. I think the Venus Room was, I think from memory the Venus Room in King's Cross anyhow.

Q. I believe so.

A. I think it was made up out of an old garage from memory. I think it was an old garage then redone completely into a night club. And the Pink Pussycat and what is it the Pink Panther.

Q. Did you ever go to those places with Abe Saffron?

A. Yes I did.

Q. Did you ever see anyone there that you recognised, not Murphy on any of those occasions?

A. No I just met the manager there, I couldn't tell you his name now, my wife was with me as matter of face. And we went to those club just to have a look more or less.

Q. Right. So as I said there was no comments ever about the Judge having any partnership arrangements or any sharing in the interests in any of his activities?

A. No. Abe's the type of bloke wouldn't talk very much like that.

Q. So he didn't ever for example, brag about say having police on his payroll or having a Judge paying him for anything, he didn't talk in those terms?

A. No. Quite obviously Allen was a very good friend of his, not much doubt about that. Cause ^{he} was supposed to be free at the Raffles but he sort of asked me in a manner that he demanded that I put him up there and lend him a car and Christ knows what, but I didn't do that I made him pay and I never lent him my car. I didn't get on too well with him.

Q. I see, did that happen on occasions, did it. that Allen would come across and stay?

A. Christ yes, happen about every year.

Q. Stay for lengthy periods or

A. Well I think mainly in the February period, usually about three weeks, something like that.

Q. Was Abe there with him on those occasions?

A. No, he was never ever with him.

Q. Were you ever aware of the nature of his business, here, holidaying?

A. I think it was holidaying obviously ~~so~~ quite

Q. With wife and family or on his own?

A. No he was always on his own there was no one with him.

Q. In terms of ~~the~~ you mentioning about Murphy being Abe's mand and so on, was that from media things that you'd heard and saw or another reason why? ~~You...~~

A. *Yes more or less and in the paper too.*
 (Over talking) Yes, in the paper too.

Q. ~~You mentioned about,~~ I think you might have mentioned about some Americans being out or even Mafia types I think?

A. Yes at the Lodge, yes.

Q. At 44? Were these people that you saw with Abe Saffron?

A. Yes, but I was never introduced to them.

Q. Right.

A. He told me they were Americans, from America.

Q. Did he talk about the nature of their business interests or activities?

A. No I never spoke to them at all.

Q. Right. But you gained the impression that they were American underworld types, characters?

A. Yes

Q. I think you mentioned, you think that Abe paid him, paid the Judge. I'm not sure what that was about, ~~got~~ any idea about that?

A. That Abe paid the Judge?

Q. Yes did you not hear anything of that, or ^{of} ~~in~~ that view [?] ~~or~~ ...?

A. No, I don't think so.

Q. You mentioned here that you know he is involved in all the gambling around King's Cross, were you referring to Abe Saffron or

A. Abe Saffron.

Q. ... not Justice Murphy.

A. No, Abe Saffron.

Q. Did he ,Saffron, not talk about those interests, ^{but} ~~that~~ you knew his reputation?

A. I knew he owned all those or he had a ~~fair~~ share in them anyhow and hotels of course.

Q. Did Abe Saffron ever talk about any brothels that he might have owned?

A. Not there no he didn't. I don't think there is any doubt that he was well and truly wound up in them, it was common knowledge, didn't he get kicked out of South Australia or something?

Q. I don't know.

A. I think he was I'm not sure.

Q. What because of interests in those sorts of establishments?

A. Yeah that's right he had a pub there too from memory, I think he was ordered out of South Australia.

Q. Do you know of any other people who were associates of Saffrons ...

A. Over there?

Q. Or colleagues here or other people who might have further information about his association with Mr Justice Murphy?

A. Not really no. I don't think so there wouldn't be anyone here, I suppose I would have know Abe Saffron in business probably as well as anyone in W.A. because we were together ~~(sounds like)~~ ^{well} for twenty years put it that way.

Q. Yeah.

A. I actually run the hotel for about four years I suppose but after that I was engaged by going down and signing cheques.

Q. He never talked about procuring ~~(?)~~ or obtaining girls for his business friends over in the East?

A. Not really.

Q. Things of that sort?

A. Many girls available at the night clubs it didn't matter anyhow.

Q. Yeah.

A. They were all stript^{ease}~~esse~~ weren't they, the three clubs that I went to, that Venus Room, there seems to be another one on my memory too I can't think of it, but certainly the Pink Panther and the Pink Pussycat, I think everyone knew he was engaged in that.

Q. Well I think they are pretty well known places in the Cross ~~and~~

A. I don't know about, he's certainly involved in the clubs and night clubs and massage parlours there is not much doubt about that. The world knows that, I don't think that would be very hard to prove. But I don't know about the drugs, I think I'm about the only one, mind you, that thinks he wasn't involved in drugs, I think I'd probably be the only one. But to me I rather doubt he ever was but in everything else I think he was.

Q. But then they weren't business activities that he used to talk about to you or to knowledge to others?

A. No. I ^{know} ~~don't think~~ he was involved in the club in here, (~~sounds like~~) Club 27.

Q. Did he ever talk about that or?

A. No he didn't talk much about it. Just through the general run through the hotel I got to know that he was in that. Like people coming into the hotel, had been there in there seemed to know he was connected with it.

Q. Would you describe him as sort of a generous man or was he a bit carefull with the dollars?

A. Abe's not generous don't ever worry about that he is a very greedy man in my book and as far as I'm concerned, I issued a writ ^{on} ~~used to get rid of~~ him anyhow, I don't whether you've had to, did ya? ^{you knew about that did you.}

Q. No.

A. Brian did, and we couldn't get the dam thing served over ~~the~~ there.

Q. Can you tell me what that ^{writ} ~~bit~~ was in relation to?

A. It was to do, when I sold out of the hotel which was '78, February 28th 1978, there was stock, we sold out the two million the approximate figure was, and of that a million was Abe's and his partners, who ever the hell they were, I think they were Hestia or something like that, and the other half was Kitsons and myself. But mine was plus stock and I never got the stock. The stock was valued I think at approximately around from memory about 72 grand which was in my book about 40 grand under estimated, it was done that dam smartly that well I don't know the proceedings of this hotel sale. You usually sell out and the stock is including, plus stock put it that way. They came and done the stock that night, his accountant and someone else, which of course is entirely wrong. I'm supposed to be there or my representative, to be fair for my side of it.

Q. Sure.

A. Anyhow it wasn't done, it was twelve months before I could get the papers for it and there was a heap of stuff, one large one anyhow, bulk beer was never ever included. And that's pretty considerable down the Raffles. All in all anyhow after twelve months I was going to get paid my quarter share of the stock you see but I never ever got it and I think it was about two years ago now and they reckon they couldn't deliver it in Sydney, through a chap John McAlway, he's lawyer in town here that does a lot of work for me. He reckons he couldn't get it delivered, I saw the letters too, I went out to his place in Sydney and there was guard dogs and Christ knows what the hell around the dam joint and ~~I~~^{they} couldn't get in and so McAlway asked me where else could he get the rit issued and I said at Lodge 44 and they wouldn't go there soon as they heard it was Lodge 44, that was ~~staying~~^{the stone and} of it they wouldn't go and serve it. And he's got letters to prove it.

A. continues

Bob Brien said it's not entirely right now I'm buggered if I know if it's right or not but I know that I am entitled that's for sure and it's a figure of about 70 grand now. It was only about, on the figure then it was about 72 thousands something which was under estimated by about 40 or 50 grand or thereabouts and I know the stock pretty well because I used to do it myself, well that plus 13-1/2 percent interest stacked on it, it amounts to about 60 or 70 grand right now. So I intend to issue another writ, they reckon you can, Bob Brien reckons it doesn't run out at all once one has been issued. But I'm not sure about that but I'm going to have another go at it. McAlway reckons he'll issue another writ.

Q. It's a matter I suppose of finding someone who is prepared to go to Lodge 44 and find him.

A. Well they seem to be afraid to go there, this is the general impression that my lawyer got and myself.

Q. Does that surprise you, it seems that he's got a reputation that worries people is that no a thing that has occurred to you?

A. It doesn't worry me greatly, to myself, at all, I'm not frightened of the dam man, he's a fair dinkum squib but if comes to any trouble I'll put it that way.

Q. But does it surprise you given your long term business association did you form the view that he was a man of bad reputation who was to be feared.

A. Yeah I'd always gathered that well and truly, it wouldn't be very hard to imagine you've only got to read the dam papers.

A. continues

But I've seen him deal with a couple of cases over there with his brother, simply little things, I think his brother was buying a launch or something or other, it was only worth a couple of thousand bucks and Abe said well offer him a thousand that's all its worth, he'll probably sell it, he's got to sell it. He is a very mean, miserable man, there is no doubt about that, very greedy, if he can get out of paying this, he'll get out of it. I'm not too sure that he hasn't got out of it, quite frankly. They seem to be ^{afraid} ~~after~~ to issue a ~~damn writ~~ ^{damn writ} on him.

Q. Did he ever do favours for special people, you mentioned about Allen for example it seems that important people ~~(overtalking) ...?~~
on the one hand being a mean man but did favours to some

A. He'd come over and expect to get free board and lodgings and a car thrown in, which he didn't get from me, so I suppose Abe would have to reimburse him wouldn't he.

Q. It does suggest that Abe in special circumstances thinks its appropriate to be generous to some people?

A. Well I would say that would be quite on for sure, it would have to be one wouldn't it.

Q. Were others apart from Allen who benefited?

A. Not that I can think of no. Anyhow I think he got the sack over it, didn't he, I'm not too sure had to resign or something.

Q. I don't know what happened to Allen.

A. Abe Saffron will grab every little penny he can, there is nothing generous about him not in the general run of business.

Q. He'd obviously used ~~the~~ people when ever he could

A. Abe Saffron is wonderful user of people, yes.

Q. Did he ever try an orgainise you apart from Allen to do special favours in town for special people, freebies and ...

A. No he knew dam well I wouldn't be in anything like that.

Q. Was there much conflict in your *business*,

A. Business?

Q. Yes with him?

A. Yes that was towards the latter end. Frankly I think I was conned out of the dam^mjoint. I ended up I wanted to buy him out, said he wanted to get out of it, the price was two million as I suggested a moment ago and then he wanted me to stay in it and he wanted to Kitsons out. He wanted me there, quite an lot of work there, any rennovations, any rebuilding well ~~lets~~^{lets} just do the lot, frankly I don't know why I sold out. I think I was just pleased to get rid of bloody man, fair dinkum I was and *the* sale was just ^asale between ourselves, there was no broker or anyone in it at all. I've never forgiven him, if I could give him a kick fair dinkum in the bloody backside fair and square I would do it and he knows dam^mwell. He's frightened of me to a certain extent.

- Q. So in that sense clearly if there was anything, association that you were aware of, you'd be only too pleased to ~~talk~~ ^{talk about} that
- A. No compunction what's so ever.
- Q. About that. Alright, well I think that's about as far as we can go. So thank you for that. I think ~~covers~~ ^{that's covered} it all.

0146M

ANALYSIS OF SAMPSON
FILES

M E M O R A N D U M

THE SAFFRON FILES 1-33

These volumes were provided to us and contain a comprehensive dossier compiled from a variety of sources on Abe Saffron. The bulk of the material appears to have no relevance for present purposes although there is a certain familiarity about some of the names mentioned. Set out below is a reference to the matters and persons appearing to have some connection, although in the main fairly tenuous, with this enquiry.

Volume 1: entitled Abraham Gilbert Saffron - Personality, profiles.

Date of Birth: [REDACTED]

Attended Fort Street Boys High School (until 1937)

On 12 August, 1973 Saffron left an address book at Perth Airport which was copied by either Customs or the Australian Federal Police. The following names and telephone numbers for each occurred in that book:

Gordon Alldridge (a Sydney Lobbyist who appears to have some Saffron connections. He is mentioned by James McCartney Anderson in an interview with Brian Rowe regarding the Paris Theatre Development, when Anderson said that if Gandali was involved then Saffron certainly would be and Gordon Alldridge), also various NSW Police including Don Palmer, A. Molloy, Brian Ballard and Mick Ogg.

In an undated police profile of Saffron, there is a reference to an approach on 10 June, 1974 by Morgan Ryan to the Deputy Commissioner, Mr J D Davies in Canberra asking that Saffron (for whom he was acting) to be interviewed by the Commonwealth Police in relation to the enquiries they were making about his client.

The file states:-

"Mr Ryan claimed that he was very perturbed by the allegations in the NSW Royal Commission on crime in clubs that he (Saffron) was engaged in prostitution rackets and he believed Commonwealth Police were watching every move he made.

Saffron was informed by the Police that they were aware of his activities being mentioned in the Royal Commission and they were interested in organised crime on a national basis. Ryan was told that there were no specific questions to be asked, but they would be pleased to listen to anything he wished to tell them. They further stated that Saffron was unduly sensitive if he thought they were watching his every movement. It was considered obviously unwise to ask Saffron any specific question which may have given him a lead as to which direction intelligence gathering was directed at that time."

The proposed interview took place on 29 July, 1974, with Sergeant Wheatley and Inspector Farmer talking to Saffron in the presence of his Solicitors Ryan and Miles, both of whom were suspects in various criminal enterprises themselves.

On 1 August, 1974, Saffron's solicitors, Morgan Ryan and Brock wrote to the then A.G. Senator Lionel Murphy concerning Saffron stating:

"We act for the above named. We believe he has been the victim of a severe injustice and unpleasant appearances at the hands of the Australian Police. Recently there have been proceedings before the Royal Commission in NSW upon crime in licensed clubs. Our client was called as a witness therein, suffered financial costs and endured considerable and unfavourable publicity, all due it would seem, to a report given to the Commission by the Australia Police".

The letter concluded: "It would seem fair to us that if as we believe that Police Report is ill-founded or unjustified it should be immediately destroyed"

The letter which was forwarded to the Australia Police by the A.G. was answered on 29 August, 1974, by the then Commissioner, who in his reply to the Attorney-General dated 13.8.1974 concluded:-

"I do not believe that any retraction is called for and certainly any destruction of a police report is not possible, particularly when it has been incorporated into the transcript of a Royal Commission, hearings of which were complete prior to any objection by Mr Saffron. If as Mr Saffron's solicitors state the evidence which Saffron gave at the Royal Commission serve to refute the allegations in the report compiled by this force then it would appear that his concern was and is unfounded. In any event, it is not the intention of this force to either attempt to withdraw or retract any statement made about Mr Saffron or to offer any apology to the emergence of such a statement before a Royal Commission."

In a report dated 25 September, 1974 prepared by Sergeant W R Taylor into the activities of Ramon Sala, Senanes and Hanson (the Sala matter) Sergeant Taylor stated:

"Another matter of interest was that Sala and Senanes were both represented by Ryan and Miles, Sydney Solicitors who also represented Abraham Gilbert Saffron when he attended this District Headquarters for an interview on 29 July, 1974. This interview was sought by Mr Morgan Ryan on 10 June, 1974 nine days after I visited the Lodge 44 seeking information on Senanes. A coincidence, bearing in mind that Saffron's main concern was to allow us to be acquainted with his antecedents, as evidence given at The Royal Commission tended to discredit him, although it was given and became public knowledge by January 1974 a good six months before Saffron decided to be interviewed."

Also included in Volume 1 in the police profiles are references to Gandali being involved in the importation of foreign females for the purposes of prostitution (particularly from the Phillipines). An alleged link between Gandali and Saffron appears to be one Charles Seal who was involved in this racket.

A person named Brian Buckett is mentioned as being a Saffron employee who visits Canberra on numerous occasions (it is later stated that Buckett visits Canberra every Friday night). Buckett is mentioned again in Volume 16 and appears to have had a long association with Abe Saffron. In that Volume there is a letter dated 17 September, 1962 from Buckett to Abe Saffron in relation to additions to Lodge 44, Buckett was the architect employed. In his evidence in Canberra to the Parliamentary

Committee on prostitution (Vol 15), James McCartney Anderson stated that Brian Buckett was the go between for Saffron and Frank Walker. In his taped interview with Neil Mercer Anderson states that (Anderson) took over the running of the Venus Room from Brian Buckett. In Volume 12 Brian Buckett again appears in a document entitled Saffron and the Politicians.

"The Venus Room - a document dated 16 February, 1968 is held by NSW Corporate Affairs, being an application for the registration of the business name "The Venus Room" that document was lodged by F J Walker, Solicitor of M A Simon & Co. The applicant for registration was one Brian John Buckett of [REDACTED]. In 1970, James McCartney Anderson joined Buckett on CAC records as carrying on that business.

In 1968, Buckett already had a close association with Saffron. He appears in CAC records in November 1966 as a co-subscriber with Saffron's mistress, Biruta Hagenfelds in the company BAH Investments Pty. Limited. According to a Federal Police summary from about 1982, Buckett was an employee of Saffron in 1981. Responsible for the supervision of his Canberra interest.

According to Jim Anderson, Buckett is "a very personal friend of Mr Frank Walker." (Anderson tapes page 7). He has also raised that possibility that Buckett may have done work for Walker. He has said that Buckett brought Walker to The Venus Room once, and that after Saffron decided to cease using Walker as his solicitor, Buckett acted as a go-between."

In the same Volume (12) there is a heading Lionel Murphy referring to the Sala affair which contains nothing additional to the files already obtained by the Commission. There is a further reference to the downgrading of Customs surveillance on Saffron which likewise adds nothing to the information already available to the Commission. There is a reference to the Sankey case and what Jim Anderson had told the Parliamentary Committee of Inquiry into prostitution on 15 November, 1983 (this evidence is contained in file 15 - the last document.

In an undated document contained in volume 1 there is a reference to Warwick Colbron in the following terms.

"On 21 September, 1981, the Officer in Charge of Intelligence Division forwarded to the Acting Deputy Commissioner a minute concerning one Warwick A J Colbron. The minute stated "I refer to a query directed to you by Mr R Corrigan, First Secretary Lands Division concerning the abovenamed involving a property development in Kingston ACT. Information apparently passed to Mr Corrigan indicated that Colbron was associated with Abraham Gilbert Saffron. Enquiries in Queensland and through the indices available to this force have failed to establish any connection between Colbron and Saffron. No person named A J Colbron appears in the records of the Queensland Corporate Affairs office Brisbane. Similarly a list of shareholders and directors for a concern with a similar name in Queensland in a local development (Thene) does not disclose any persons known in any adverse capacity to this division."

Still referring to this document "Corporate structure of companies involved with Saffron. Saffron and his nominees and associates is extremely complex and the fact that there is no record of association between Saffron and Colbrin would not preclude the possibility that they are involved in a business venture."

In Volume 26 there is a letter dated 25.8.81 from AFP to NSW Police which states:-

"Information sought as to any recording in our indices of a Warwick A J Colbron of Warwick A J Colbron Hutchinson & Company, Solicitors of 168 Plateau Road, Bilgola Plateau 2107. The latter group have a personal address of [REDACTED]
[REDACTED]

The subject of the inquiry is a participant in the property development of Thene Park, Kingston. He is reported as having extensive property development interest in the Gold Coast in Queensland and also the redevelopment of Luna Park. Thene Park Development relates to an investment of 8.5 million.

The subject has stated to be an associate of Abe Saffron of NSW.

The caller expressed some urgency in responding to the request. I advised him that research into the subject may require some time against the known company structures related to A Saffron."

VOLUME 2

This volume contains Saffron's known company links including an NCA list of companies, a list of companies prepared by the Age,

documented dated 27 June, 1974 prepared by the AFP. Further document of the AFP relating to known companies in South Australia, Western Australia and NSW which confirm the difficulty in tracing any alleged Saffron links.

VOLUME 3

This volume contains Saffron's suspected company and business links including the relationship between the Steinbergs and Saffron.

VOLUME 4

This volume contains extracts from the following books: Bob Bottoms "The Godfather in Australia", Alfred McCoy "Drug Traffic Narcotics and Organised Crime in Australia", David Hickey's "The Prince and the Premier", Bob Bottom's "Connections", and David William and Lindsay Murdoch's "Big Shots the Who's Who in Australian Crime."

In the Prince and the Premier at page 120 there is mention of an appeal in June 1982 by Abbey Investments against cancellations of a restaurant permit for the Raft Restaurant in Orwell Street, Kings Cross. Judge Herron said the restaurant was described in the lease under a different name, the Venus Room; Saffron was described in a document tendered to the court as a Director and Shareholder of Abbey Investments. Judge Herron said that "pornography would not be too harsh a word to describe what went on in that Restaurant". Doubtless the documents tendered before Herron J will not reveal any connection with the Honourable L K Murphy but it may be that these documents ought to be subpoenaed.

VOLUME 5

This volume contains newspaper clippings between 1951 and 1981.

VOLUME 6

This volume contains newspaper clippings from 1982 onwards.

VOLUME 7

This volume includes copies of extracts from Hansard's for NSW, S.A., Qld and Federal Parliaments. Including the Senate of 8 September, 1983 where Senator Chipp in discussing organised crime and police corruption, particularly in NSW, stated of Saffron "I refer now to the matter of compensation for Abe Saffron, one of the most notorious, despicable human beings, if one can use that term loosely, living in this country!" He then went on to discuss the payment by the NSW Government of 2.6 million dollars to Saffron to buy out a lease of land owned by the Public Transport Commission.

VOLUME 8

This volume contains the report of the Royal Commission on liquor laws in NSW - the Maxwell Report dated 30 March, 1954. The file does not appear to contain anything relevant to this inquiry.

VOLUME 9

This volume contains extracts from the Moffitt Royal Commission. There does not appear to be a link between any of this material and the present enquiry.

VOLUME 10

This volume contains extracts from the Costigan Royal Commission transcript of 17 February, 1983 relating to Saffron's involvement in bottom-of-the-harbour schemes. Evidence before the same Commission on 23 February, 1983 in which Briggs gives evidence of Saffron's involvement with West in one of the

Companies under review. The balance of the material contained in this material has no relevance to these enquiries.

VOLUME 11

This volume contains the NCA list of companies together with several newspaper articles on an alleged NCA leak.

VOLUME 12

This volume contains political connections of Saffron the relevant parts of which have been mentioned above.

VOLUME 13

This volume contains The Age tape telephone conversations between Morgan Ryan and Saffron between March 19 and April 11, 1979 and February 7 to May 1, 1980.

VOLUME 14

Contains the transcript of proceedings of the examination under Section 69 of James McCartney Anderson before the Deputy Registrar on 17 and 18 April, 1984. At page 16 of his evidence the following exchange takes place:

"Was the Venus Room owned by a company at that time? -----
At that time, as far as I knew, Abe Saffron owns the Venus Room, but I was not aware of the company structures or corporate business.

So is it the case that there was simply an oral agreement between yourself and Mr Saffron? ----- that is correct.

I think you also said Mr Saffron had disclosed to you that he had other partners? ----- that is correct at that time? --- that is correct. Were you aware then as to who those partners were? ----- at that time, no.

Are you now aware now as to who those partners were at that time? ----- I am. Did you ever - I'll withdraw that. Well, who are they? ----- who were they? ----- There was a Mr Morgan Ryan, he mentioned and a Mr Lionel Murphy.

Did he ever demonstrate to you any proof or evidence that those persons were partners of his in the business of the Venus Room? ----- I have seen Mr Murphy in The Venus Room in those days. Yes? ----- and I have also seen Mr Morgan Ryan in The Venus Room. On one occasion he came down with Mr Saffron to get me to sign some papers to bring in some Chinese cooks, I was told. I believed they turned out to be Koreans or from somewhere in the East.

Mr Morgan Ryan was their Solicitor is that the case? ----- As far as I knew Mr Morgan Ryan on the period when he came down with Mr Saffron to get me to sign the papers, he was a very influential solicitor.

Was he Mr Saffron's solicitor at that stage, to your knowledge? --- My belief at the time was that he was Mr Saffron's partner and solicitor and he also, according to Mr Saffron, held a watching brief for Mr Neville Wran.

When you say a watching brief, a brief to watch what? --- I should imagine that they are Mr Saffron's enterprises.

To what end? ----- In those days there was a general understanding with Mr Saffron's establishments could basically do as they wanted in the licensing field, trading without any fear or hindrance."

The balance of the transcript contains no further reference to Lionel Murphy. However it may be useful to obtain copies of transcript of proceedings for 19 April, 1984 before McGregor J where McGregor made orders prohibiting publication of the transcript for those proceedings. It appears that the matter

may then have been referred back to the Registrar with the same orders continuing.

In his evidence on 18 April, 1984 on page 97, Mr Anderson refers to a long running larceny case in which Malcolm Johns, Solicitors, acted for him and in which Marcus Einfeld QC was briefed to appear for Anderson.

VOLUME 15

This volume contains an article on Mr Anderson extracted from Penthouse. The unpublished Anderson tapes with Neil Mercer on page 10 of tape 2 has a reference to the Sankey matter and how Anderson had fixed it up. On pages 2 to 4 on tape 3 Anderson explains his role in the Sankey matter.

The file also contains the incamera evidence of Mr Anderson before the Parliamentary Committee of Inquiry into Prostitution, on the 12th page of which Mr Anderson in reply to a question from Mr Dowd as to whether he had been present at conversations between Saffron and any other people he had mentioned he replied: "I have been present when Mr Saffron was talking to what you call him, Mr Murphy. I was present in the Venus Room. In the same room -- in the Venus Room.

Were you present in the same room when Mr Saffron was talking to Mr Justice Murphy? -- yes in the Venus Room he came down with some Asian ladies. That is Mr Murphy's weakness incidentally.

What country were they from? ---- the Phillipines.

VOLUME 16

This file contains personal and police files pre 1972. It does not appear to anything of relevance.

VOLUMES 17 - 28

These volumes contain the police files on Abraham Gilbert Saffron between 1975 and 1983. Material includes copies of documents in previous files. Apart from a letter dated 14 January, 1975 from Morgan Ryan (file 20) addressed to the Controller General of Customs making representations on behalf of Saffron, clearer copies of which are no doubt on the Customs file, there appears to be no other relevant information on these files.

VOLUME 29

Volume 29 contains the document known as the Shelley Report dated 7 June, 1984 involving an investigation of companies linked with Saffron and others. There does not appear to be anything relevant to this enquiry in that report.

VOLUME 30

This file contains allegations and copies of Hansard in relation to the Public Transport Commission lease and the payment made to Abe Saffron.

VOLUME 31

This file deals with the Bally Manufacturing Company and Saffron's involvement with it.

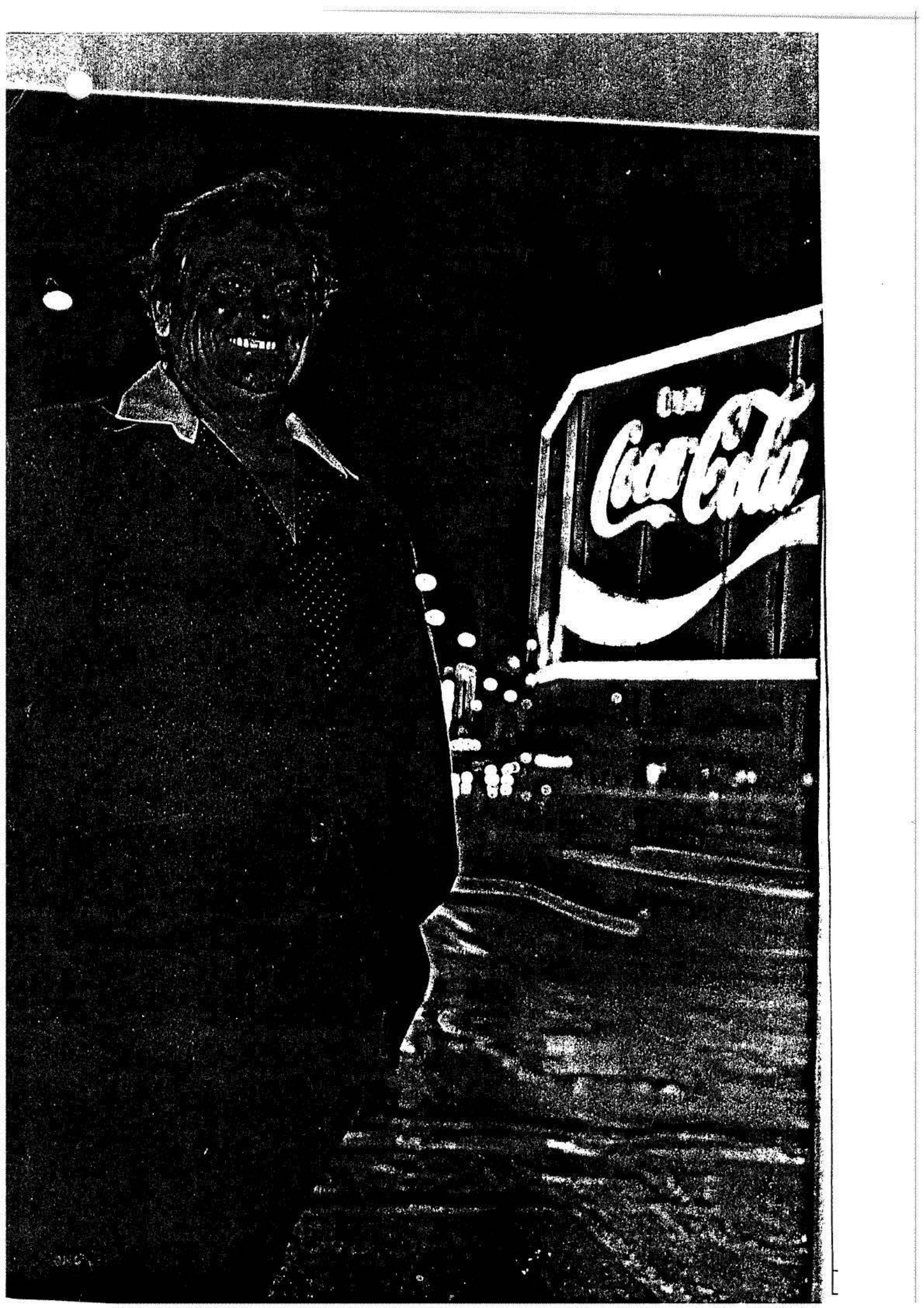
VOLUME 32

The file contains AFP reports on Kornhauser and Saffron, and the connections between their various companies.

VOLUME 33

This file contains press clippings in relation to the Sala matter and the Customs surveillance of Saffron together with a copy of Inspector Dixon's report dated 18 June, 1974 (tape ran out) regarding a currency search which he conducted of Abe Saffron on 12 November, 1974 and various documentations surrounding that incident. There is also a transcript of the interview between Saffron, Myles, Ryan and Superintendent Farmer and Sergeant Wheatley on 29 July, 1974.

Anderson ①



PENTHOUSE INTERVIEW

“I was prepared to kill the gangsters if they didn't leave me alone. Some people call it murder; I call it pest control. Like the Flick man.”

JAMES ANDERSON

BY GRAHAM GAMBIE

Stripped to brass tacks, the life story of James McCartney Anderson is nothing but a survival manual. The Nazis were the first to try to blow him up when he was a 13-year-old boy in England. He survived two serious plane accidents during his five years as a Royal Marines Commando and mastered the skills of underwater demolition, jungle warfare, alpine fighting and parachuting. But those experiences were only preliminaries to the main event — surviving for 25 years as an urban Tazman in the jungle of Sydney's Kings Cross. During that time Anderson has been booby-trapped, blown up, poisoned, shot at and beaten so badly that his life has been written off three times. Even he seems a bit puzzled about how he is still on his feet.

Big Jim was the powerful partner and chief lieutenant of Kings Cross identity Abe Saffron, managing a string of clubs like the Venus Room, Les Girls, the Showbiz and the Carousel. He was manager, minder, bouncer, “Mr Fix-it” and juggler of the black and white money boxes. Chasing “Mr Asia”, Terry Clark, down the street with a shotgun, dealing with corrupt police and defying bikie gangs trying to peddle drugs were just routine chores in a job where naked power was the only badge of office. When he wasn't driving his white Rolls Royce (a present from Saffron that ended up riddled with bullets) he was making \$1 million as commission for bringing \$10 million in American currency into Australia.

About five years ago Big Jim and Little Abe had a falling out which was so severe it turned Kings Cross into a bomb shelter. A year ago, during his examination for bankruptcy (he owes about \$450,000 to creditors) and the inquest into the death of Cross identity Juanita Nielsen, Anderson upped the ante and began naming cops he said were on Saffron's payroll. His wife, Mrs Neathia Anderson, backed up her husband's evidence at the inquest and revealed that after Jim took over several clubs for Saffron around 1970, huge amounts of cash in boxes and paper parcels would regularly be lying around her house. Mrs Anderson, who once worked at the old Latin Quarter run by Sammy Lee, has had her own share of trouble. Once she was taken to St Vincent's Hospital with seven bullets in her.

The depth of Jim Anderson's hatred for Saffron cannot be understood by anyone who did not know them in their heyday as the most formidable combination of brains and muscle the Cross has ever seen. Anderson claims he broke from Saffron when he discovered that drugs were being sold within the clubs, but the

war between them now is a no-holds barred affair which has polarised some of the strongest forces in the state.

Anderson is a softly-spoken man who strenuously maintains he has never interfered with anyone who's left him alone. But he freely admits he has had to kill in self-defence and he makes no effort to conceal his contempt for drug dealers who, he says, have struck at three members of his family. Neither does he show any fear of anyone in power. After all, he claims to have been there when the sex orgies and other compromising situations used to trap several prominent people were set up.

Against such a background, staying alive is a lottery and winning depends on fast reflexes and a hunter's sixth sense. When Anderson was in the witness box at the Nielsen inquest a cleaner suddenly appeared at a window and Anderson's hand darted to his waist. Asked outside the court why he had reached inside his coat, Anderson said: “Well, I wouldn't have pulled out a cigarette lighter . . . if they're after you it can be anyone, and that cleaner could have been one of them.”

Giving evidence before the NSW Parliamentary Committee on Prostitution, Anderson named several prominent people he said had been compromised by organised crime figures. One politician remarked that if Big Jim had been a boy scout he would not have earned many merit badges for his activities. That didn't faze him. “I don't think this present government or the one it took over from were members of the boy scouts either,” he responded. Another committee member asked Anderson if he agreed he was “selective, slippery and spiteful.” Jim's reply was: “I am not slippery. I am too big to be slippery and too slow. Selective? Yes, possibly. But I have never been spiteful in my life — I am very honest and direct. A gentleman made inquiries a few days ago and wanted to know: ‘Anderson's back . . . what's he up to?’ I sent him a message: ‘I am back to make sure I destroy you.’ That to me is a straight answer to a straight inquiry.” There was no betting on whom he was referring to.

He put it another way in June this year when he was acquitted by a jury on a charge of stealing an \$8500 necklace from a locked car in Double Bay. The charge happened to be laid on the evening he was due to open a nightclub in direct competition with Saffron. “This case has dragged on for five years, but I've labored in the field for long enough,” Anderson told journalists outside the court as he celebrated his victory. “Now it's my turn at the crease.”

PHOTO BY WARREN MACRIS

INTERVIEW

Penthouse: You are living these days with numerous threats hanging over you and after several attempts on your life. Does all this worry you?

Anderson: Yes, I'm ducking and weaving. I make no bones about it — I'm a professional coward. The secret of winning a war is knowing when to advance in another direction. You never retreat, but you have to be prudent at times. I don't for one minute think it's all over yet. Abe Saffron tried to pull me into gear, but he couldn't control me.

Penthouse: How did this break with Saffron come about?

Anderson: When we decided to break I said to him, "You take the Cross and I'll take Bondi." The first place I tried to buy that he was involved in was a restaurant called The Mint. I immediately got charged with stealing a necklace, which created a great scene. But I got off it and the judge crucified the police and said in effect that they were setting me up. The police erupted at the end of the trial — one of them came over to me while I was in the dock and said: "That's the dearest necklace you'll ever steal. We'll get you." He said it in front of the barristers and lawyers, so my barrister promptly sent a hand-written complaint to the Commissioner of Police. During the trial I was refused legal aid and because of a TV program by Mike Willesee, my first trial was aborted while the jury was out. I'm going to get legal advice because I'm soon going to issue writs for sums totalling millions of dollars.

Penthouse: You haven't got a criminal conviction, then?

Anderson: No. Not one blemish. This is what has got them all stuffed. The media have had to take another look at their evaluation of Big Jim as he was known: "The Enforcer", "The Overlord." People have spent the last four years trying to find my vulnerability. Despite the image that the media created — that I was the last of the Al Capones, the fastest draw in the west — most of them finally had to agree they had never even asked me any questions.

If anyone dares to attack the Establishment, whether it be the police force, a member of parliament or if you dare to rock the boat, you will find you are suddenly attacked yourself. In other words your credibility has to be attacked before you can do further damage. And the only way you can really win in a war against people like them is to ensure that until you decide to fight them, they must never be aware there is an enemy over the hill. Once you come over that hill they have such immense power through their buying power, through their intelligence-gathering sources, they can look for your weakness. I've been fighting drugs since 1966 and I am the best judge of when is the best time to fight my battle. Everyone thought I had skeletons

in the closet and the puppet master had strings attached to me and I must have done some terrible things in my past and he could say, "Shut up, or I'll do this to you." Then suddenly they found out that the Frankenstein they created didn't have a Dr Frankenstein to control it.

Penthouse: You've said that organised crime can control people like politicians by exploiting their weaknesses.

Anderson: That's right. Under parliamentary privilege in camera I nominated to the Prostitution Committee all the associations and how they used prostitutes and blackmail. How they would get the up-and-coming young politician and manipulate him. That's been going on for years. It's either gambling, prostitution, being gay or whatever . . . they find the weakness and profit from it. I gave the committee an example suggesting that, say, Mr John Dowd [NSW Liberal MP and Shadow Attorney-General] may have been causing concern

“
The same politicians
who attacked me have
whitewashed the Licensing
Police and there's an
officer there who's been
Abe's man for years
”

and I would be asked to find out his vulnerability; in other words, it would be put to me: "Does he like little girls, big girls, little boys, big boys? Is he on with his secretary? Is his wife playing around?" Mr Dowd may have had a rough day in parliament and he may have gone to the Sydney Chevron Hotel to have a meal, but telephone calls would already have been made. Either a young girl or young boy or an older lady or older man would have been conveniently seated at a table close by to strike up a casual conversation and, depending on Mr Dowd's mental state at that time, he may have weakened physically, because we are all human. He may have been invited upstairs to a hotel suite which would have been prepared with cameras and tape recorders. If it went the right way nothing would have happened until a situation arose, and suddenly Mr Dowd would be given an envelope, discreetly, and he would become a puppet.

Penthouse: You told the Parliamentary Committee that you had been fighting the drug problem in Sydney in your own way since 1966.

Anderson: Yes. Even the committee was

not aware of my ultimate aims. I am really a bit of a mystery. The government did not do its job, the police did not do their job, so I set out to do it myself. I was offered personally \$1000 a club per week to employ one pusher on each premises, no police problems. If the person got caught there would be no backlash and another person would take his or her place. It could have been a barman, a doorman, a waitress, a cook. When you realise I was being offered between \$10,000 and \$12,000 a week in black money to allow these people on to premises I controlled, and if you multiply that by all the relevant people other than myself throughout Australia, you have an incredible network, incredible profits. The profits are telephone numbers; nobody believes them. Nobody can think of \$30 million, \$50 million or \$100 million. With the offer I got the pusher would then have sold to working ladies that were frequenting the premises and they in turn would have gone on to the streets for distribution. The people who are being used to distribute it — you are talking there about possibly 400 to 500 drug-addicted working ladies. If they push even one ounce a week and if you give that to the Federal Narcotics Bureau and tell them to work out how much heroin is being sold at the current price, the figure is mind-boggling: A lot of people in official places find it difficult to relate to the amount of money that is being made.

Penthouse: What did you tell the Parliamentary Committee about prostitution?

Anderson: I said that organised crime is like a diamond; it has many facets and prostitution is only one of those facets. Because of the existing laws prostitution has become a very important arm of organised crime and corruption and it will stay like this until you legalise it and let the drug-addicted working ladies get treated and take the stigma away from them. I would allow them to go on to licensed premises — I mean if it's good enough to put an SP bookmaker in a pub, what is wrong with an attractive lady plying her wares? In the Kings Cross area the number using drugs would be well over 50 percent and legalisation would go a long way towards solving the problem of their vulnerability. But I told the committee I wanted to add a rider to the suggestion about legalisation: God forbid that the government try to run brothels. You can't run them like the TAB. Like, are you going to have government-controlled places where your wife can come in for a take-away lunch while the husband is upstairs with a lady? It is a very specialised business, and a very sensitive business. I have found from experience that ladies can operate a massage parlor or an escort agency much more tastefully and delicately than any man could ever do it. But you still have to have a male present to protect the ladies from the oddballs who have strange sexual preferences. You can-

...ot have the local bobby standing outside the massage parlors waiting for a girl to shout, "Help, he's suffocating me with a pillow." But there's a great deal more to the problem than just legalising it. Certainly you don't want the government issuing licences; it's not a dog track. The most important thing is to get crime and drugs out of prostitution because the women are very vulnerable under the present legislation in this state.

Penthouse: As well as your well-known fight with Abe Saffron, you've had some run-ins with former Police Deputy Commissioner Bill Allen, haven't you?

Anderson: When I split with Abe and bought The Mint, Bill Allen appeared in there one evening and said, "You're Jim Anderson, are you? I've heard a lot about you." I said, "Oh yes? Well I've heard a fair bit about you too" ... like, "If you're going to attack let's have it out in the open." So we had a few cross words. I said, "Look Bill ..." He said, "You call me superintendent!" I said, "I'll call you anything I like. Who do you think you are, God? You don't frighten me; none of you do. If you jump on my back, I'll jump right on top of your head." Later on I was attacked on the floor of parliament. They tried to create the image that I'm the master criminal. . .

Penthouse: What sort of names have you been called?

Anderson: Oh, the last one was a little bit tropical: "Killer Anderson." Frank Walker said that in parliament. Peter Anderson, the Police Minister, has called me a few things and Neville's called me a well-known criminal.

Penthouse: Didn't you have colorful names before that?

Anderson: Oh, I've had "The Overlord", "The Enforcer", "The Liquidator" — you name it and I've had it. And the funny thing is that it's all been said under parliamentary privilege. The same people who attacked me have whitewashed the Licensing Police and there's an officer there who has been Abe's man for years. He's safe because I won't give evidence to the Internal Affairs or the NSW Police — it's a wasted exercise.

Penthouse: But you have said you will give evidence to a Royal Commission or a Senate Inquiry. What's happened to the old code of silence? These days everyone seems to be talking their heads off.

Anderson: You see, this is where the media get sidetracked. My only claim to fame has been fighting the criminals. I've never fought a businessman or a squarehead in my life. Criminals, gangsters or junkies — nobody else. And I've told the police: "Either you stop 'em or I'll stop 'em." They are not going to interfere with me.

Penthouse: How many attempts have there been on your life?

Anderson: The last one was the one that made me real dirty. They put two sticks of gelignite in my car about two years ago.

Penthouse: Did it go off?

Anderson: No. It was quite funny. I was driving a Mercedes at the time, and I had moved my family from Vacluse over to the North Shore and the driveway had a bit of a slope. One day I got in the car, shut the door and something caught my eye. On the steering wheel of the Mercedes there's a cover over the electricals. There was a wire running from there hooked up to the light switch and the suction cap wasn't right and the thing fell down. It was an apricot-colored wire and they were using band-aids to tape it to the column, under the mat, under the driver's seat and hooked up to the lights. Now I never drive during the day — very few people see me in daylight. So it was meant for me. When I got in and switched on the lights, boom! Up you go! My sons haven't driven my car since. I've got three sons and a fourth son I adopted. When they came out that day to see what was going on I said, "Get away from the car" because I didn't know if the bomb was under pressure — I'm pretty conversant with all these sorts of things; you get trained in the Marines very thoroughly. And if you could have seen me trying to keep the pressure on the seat and letting the seat back to lean over and see what it was. . .

Penthouse: You've named plenty of big names to various committees and courts recently.

Anderson: You see, truth is stranger than fiction. If you want to confuse the police or

the media, tell them the truth and they'll spend 10 years trying to smell out where the ring-in is. Where's the angle? They will not believe the truth. I gave evidence in my court case in the Bankruptcy Court about the Venus Room. One of the Asian ladies there was quite well known to the media; at that time she was the girlfriend of a flamboyant politician.

Penthouse: When was the heyday of the Venus Room?

Anderson: About three years after I got it. We had a 24-hour go and we could do what we liked. It was in the Seventies. R and R from Vietnam was still running and it was really good.

Penthouse: What do you think of the present police administration?

Anderson: I think you have a chance with [John] Avery as [NSW Police] Commissioner because Avery is honest. He's put Shepherd ["Ernie The Good"] in charge of investigations and he is honest. He won't run dead on this one, which is a very pleasant change. You see, the funny thing is I know the bent ones and the ones that aren't, and the others who look the other way. That's the three grades of police, but people find it hard to believe. Andrew Peacock got up in parliament and tried to get a message across about organised crime and he had a lot of trouble getting people to believe it too.

I'm not a criminal, but I've been there. To debrief me, as the expression goes,



"Annual blowfish migration."

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would take five bloody years. I write nothing down but if something triggers my memory I just say, "Oh yes, hang on now, I know about that." I have a detailed memory because I associate with events and then lock it away.

Penthouse: Isn't it true that before you gave evidence at the Juanita Nielsen inquest, nobody had spoken publicly about the Cross and the links between police and organised crime?

Anderson: Yeah, but this is where I was annoyed with the media. At the inquest I said, "Great, you're all here... which one of you has ever come to me and said, 'Jim what about this?'" And when they asked me the first question and I said "Yeah" everybody fell about in a heap. To them, I've got to be a criminal, I've got to be a murderer, I've got to be a drug dealer — everything. I would know more about organised crime because I've never been one of them, but I'm respected by them because I won't cop any of it. If they fight me they can't win — they don't gain anything. Criminals aren't dummies; they're going to fight someone they can beat.

Penthouse: You once said that if you are going to fight organised crime, don't let them know in advance the attack is coming.

Anderson: I'll put it this way. Where I made my mistake was trying to lay information in front of the government about Bill Allen. I was forced into liquidation. In hindsight I wouldn't have fought this way if I'd known then what I know now — it would have been an entirely different ball game. But all this was forced on me; I had no option.

Penthouse: Is it possible for someone in authority to combat organised crime?

Anderson: Yes, of course it is. But they can't take the broad spectrum they are go-

ing on. That's their mistake. They go on a broad spectrum of allegations and the organised crime figures all pick something that can't be proved and make them look ludicrous and attack them on that. You've got to pick them off one by one and then they start to shit themselves. They think they might be next. What worries them about me is that I know every criminal in the book and some that even the criminals don't know about. I've had heaps of top people after me and some of them don't even realise the real reason they are after me. They're doing a favor for their friends. They would die if they knew who they were really doing the favors for, and that depends on me being able to link the whole lot together.

Penthouse: If you had the opportunity would you look for one specific issue to nail them on?

Anderson: There is a connection between organised criminals; that's a fact. Some of these people have been partners for 20 years to my knowledge. They have political clout and the politicians are getting theirs the same as all the other scallywags.

Penthouse: What has been your relationship with the police over the years?

Anderson: I've always had good relations with the police — the bent ones, the honest ones and the look-the-other-ways. I would never insult an honest policeman by telling him a lie. I would say: "You don't expect me to give you an answer to that, do you?" The bent ones, you had to do business with them — I never used to think of it as bribing them. It was a standard fee for trading 24 hours a day. I never ran a brothel in my life.

Penthouse: You've been operating now in the Cross for how many years?

Anderson: Since 1959. I've been here longer than the politicians and the bent policemen. I know who your police assassins were, past and present. I know the drug dealing scene; I've been on the verge of it. There's people I know very well who are in it, but I've always told them: "Don't involve me in it, I don't want to know." And I've told them that if it affects me, I'll jump on them like a ton of bricks. That's what upset the big boys. I wouldn't allow distribution through the clubs.

Penthouse: Why did those rich organisers, who had so much money from the clubs anyway, move into heroin?

Anderson: Basically, if they hadn't moved into that area they would have lost their power. One of the biggest started off in liquor and prostitution and he has kept his power up to date. You don't have to be an accountant to know that power is what you can afford. If a person is unbuyable and you find a weakness and you don't put the pressure on him, somebody else does. Suppose we find a judge who likes little boys — and I know a number of them who do — the organised crime boss isn't going to blackmail that judge. But if another of the judges he's got control over were to

pull him aside while they were having a cup of coffee and show him a photograph and say, "I can sit on this, but you be careful in future", then he's gone. Make no bones about it. You can't blame the man for wilting under that kind of pressure.

Penthouse: What do you know about the fixing of court cases?

Anderson: There have been dozens of them. It's been going on for ages. One case where the money had to be handed around involved a payout of \$150,000, and that was quite large for that time. It was a special case and it was heavy and it had gone a bit too far. The magistrate had to make sure the evidence wasn't recorded on a tape recorder. They planned it well.

Penthouse: I've heard that your one big fear is of flying, and that you only drink when you have to get on a plane.

Anderson: That's the only way I can get on a plane. And I keep stoned until I get off. I have to dry out for about two days afterwards.

Penthouse: Do you know what caused your fear?

Anderson: Yes. I've been in a couple of air accidents. I was told after the first time that lightning doesn't strike twice and then I was in another prang about eight weeks afterwards. I was five and a half years in the Marine Commandos. I've done about 56 plane jumps and one balloon jump. So I'm not worried about small planes; it's the big ones that worry me. I can't see where I'm going. It's like sitting in the back of a truck — I'm very nervous because I don't know what's happening. Everyone's got phobias and I'm just shit scared of flying. I get very upset at the airport when they jazz me round a bit.

Penthouse: You have described NSW as the most corrupt state in the Western world.

Anderson: Without doubt. You show me one worse. It's not a dictatorship, but here you've got one law for politicians and judges and the people who can afford it, and you've got another for the general public. No-one is supposed to ask questions, they're supposed to just sit there and cop it sweet. You become a renegade and you decide to fight the system. But one of the funny things about history — and history is the greatest teacher of all — is that it has never been the Senate that has brought down the government. It usually is some individual who puts his blinkers on and says you're going to have to kill me to stop me. Now in my case, they refrain from doing that because it will cause so much trouble. But if they studied history they would kill anyone who put his head up before he got too far down the track. It's that one individual who keeps persistently pecking away until it becomes politically expedient or it suits somebody's political bandwagon to say: "Hey, look at this poor little fellow," and stick him in front of the media. The media are the ones who actually control events.

Penthouse: But events have to achieve

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a certain momentum before anything actually changes, don't they?

Anderson: There has to be credibility. You cannot take a broad spectrum. I can talk about organised crime for donkey's ages, but you have to take a specific person, nominate something and substantiate it. Go for that.

Penthouse: You once described organised crime as a tree: people can chop the branches, but it's hard to get at the roots.

Anderson: Of course it is. And the only way to do it is with a bulldozer. Or put in a parasite that will kill it.

Penthouse: For the last 20 years organised crime has operated completely untouched and unchallenged, hasn't it?

Anderson: That's right. But organised crime is prepared to prune the tree itself to take the heat off. That's what they are doing now.

Penthouse: What's going to happen to this country in 20 years if organised crime isn't checked?

Anderson: You'll end up in 20 years with an inherent dynasty of corrupt politicians. You'll finish up like Indonesia or the Philippines, with a facade of democracy. When anyone moves out of his chair he will hand it over to his man, which he has to do. I'll give you an example in the drug scene. Initially, the police have to catch somebody who they could have put away for 10 years, and then let him go to inform on what's going on. If this is to the benefit of democracy or justice, then that's great. But it becomes a private business for the Drug Squad, and as well they can make heaps of arrests.

Penthouse: You're talking about them making selective arrests?

Anderson: Of course they are. Anyone who thinks they're not is kidding themselves. You've got such a corrupt system in NSW that the Federal Drugs Task Force gets undermined because you only need one crooked copper to work against you and all your work goes down the drain.

Penthouse: For a price?

Anderson: For a price. But the Drug Squad are supposed to get someone as well. Just recently they came out in the media and said they had been planning a raid for five years and all they got was a couple of unlicensed guns and a bit of coke and hash. It's a comedy of errors; it goes on and on. One of your main problems is that absolute power corrupts and so does money. When you've got as much money as these people to throw around, five or six million is nothing. In the old days nobody would believe these amounts were involved, but they are starting to now.

Penthouse: If John Avery wants to succeed in breaking the power of organised crime, will he have to put his job on the line?

Anderson: No. He's got to put his life on the line. Make no bones about it, mate. Everyone bleeds. Never think you can't kill

a newspaper reporter or you can't kill a policeman or you can't kill a commissioner. The only way Avery will survive is to get his own colonels into position and make himself strong enough.

Penthouse: It's like a tug-of-war, then?

Anderson: No, it's a real war — not a tug-of-war. You've got top officers there who are bent or who look the other way. One top officer said to me: "Mate, when I'm out on the road I'm 100 percent, but there's nothing I can do when I get back inside." You see, one of the cleverest ways of stopping an honest policeman is to promote him to a desk job — confine him to where you can control him. This is where Neville Wran made his biggest mistake with Bob Bottom. He should have kept him and given him specific things to look into. You know where he's looking, so it can be put right when he looks.

Penthouse: Do you think you are being followed or your phone is being bugged?

Anderson: Every time I pick up the phone I say, "Testing, testing." Some of my calls must make their hair stand on end. I have great fun with them. Only three days ago someone said to me, "Jim, do you think you are going to win?" I said, "I've won — I'm just waiting now to issue my writs." He said, "Ah, but what about your family?" My family know why I am fighting and I don't use them to get sympathy. Politicians can talk about their children and grandchildren, but how about my son, who

has been in Australia since he was two? He's a professional footballer now, went to Scots, no trouble. Got into a fight once and was fined \$50 or something for breaking someone's tooth, like all teenagers do. He wanted to play for Australia and he could be good enough, but they refused him Australian citizenship. No reason, no nothing. But the real reason is that he is my son. Now Andrew has to go to England to play football because he can't get a go here. Now you tell me if that's not discrimination. I'm going to have a go at that too.

Penthouse: Do you have to keep on the move so you're not a sitting target?

Anderson: I'm still a bit of a will o' the wisp. But I'll be going into business as a consultant to the clubs in the next few weeks. I do a bit of textile import and export. I'm not lying dead. After 30 years in the nightclubs and theatres and restaurants, without denigrating the priesthood, you become a bit of a father confessor. You'd be surprised at the secrets you are given.

Penthouse: You would have seen nearly everyone at some time up here in the Cross, wouldn't you?

Anderson: Everyone comes through here. Crime starts and finishes in the eastern suburbs of Sydney.

Penthouse: Kings Cross to Bondi?

Anderson: Not only there. Darling Point, Point Piper — the whole area is the hub of crime in Australia. Some of the biggest criminals live in the best suburbs but



"Hey, Frank! C'mon in and meet the missus and the kids!"

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they're too high up in the tree to touch. You can only destroy them by destroying their power bases — all the politicians who are giving them support. Like, "You owe me — I'm calling in." I reckon Abe Saffron has called in more favors than Santa Claus to stop me and he still hasn't managed to do it.

Penthouse: How many times have people tried to kill you?

Anderson: Well, they hit me with a poisoned pellet, at night time. There was a disturbance created, like a phoney fight, and I got hit in the back of the shoulder, like a pin prick. I didn't pay much attention to it and the capsule didn't melt all at once like it was supposed to. By the time I got to the hospital it had dissolved.

Penthouse: Was it like the attack in London on the Bulgarian radio announcer, where they hit him with a poisoned dart fired from an umbrella?

Anderson: Yeah, the same type of stuff. I don't know whether it was fired from a gun, or you can have a trick thing where you shoot things at people and there's a little buzz. Somebody came along and said "Hello mate" and hit me on the shoulder. He could have had a syringe in his hand. I didn't pay any attention to it but apparently it takes a couple of days to take effect. It was probably an Australian-made model because instead of it coming out all at once it was a slow dribble. They knew the type of poison it was when I went to hospital. It leaves no residue; it just vanishes. It affects your nervous system, you stop breathing and that brings on a heart attack. They might do an autopsy on you 24 hours later and everything's gone.

Penthouse: Do you still feel the effects now?

Anderson: Oh yes. It damaged my pancreas and it gave me about two or three bloody heart attacks before we found out what it was. I didn't know and I just kept on lapsing into a coma and having heart attacks. Then there were a couple of shooting attempts at me on the way home or down there where Doyle's used to be. I was inclined to nominate a heroin team for that one, but it came back to me from a pretty good source that it wasn't them. You see, one of the problems is that when you create this kind of legend which has developed over the last few years, there's a strong possibility that people I haven't named yet are so worried that I might do it, they say, "We'll knock him off and the others he has named will get the blame." These days I won't even stop for a police car — no way in the wide world — and I've told them so. I've said: "Mate, if anyone in a police uniform tries to come anywhere near me they've got problems." I told a certain commissioner that. I said, "I can get a police uniform and a police car within half an hour and if you want me to prove it I'll

do it for you." Anything I say I'm prepared to prove, and they just don't take me on . . . they know I'm right.

Penthouse: Do you see yourself as being on some kind of mission?

Anderson: No. I haven't altered my stand. I'm trying to make it back into business. My liquidation is only a temporary thing as far as I am concerned. I've got more ability in my head than 90 percent of your so-called businessmen and I've only been stopped because I've been fighting Saffron. I had to fight the whole bloody system to fight him. The whole system closed ranks to protect itself, that's what I find incredible. I'm the living proof that you can fight the system and still be there at the end. It's very painful but it can be done. I was prepared to kill the gangsters if they didn't leave me alone. I mean that sincerely. Some people call it murder; I call it pest control, like the Flick Man. If an alleged criminal comes near me, I first tell the police — I know how

This experience
of dying has happened
to me three times and
I think it's pure bad
temper, hatred, that's
brought me back

to get a message to them. If the criminal still wants to go on with it, then it's the OK Corral.

Penthouse: Have you ever thought of writing a book?

Anderson: I've thought about it on a number of occasions. I would call it *It Wasn't Funny Then*. I try to find humor in everything. Of course, I can't spell; my school got blown up during the war when I was 13. No members of the media have ever brought up the fact that I have been questioned by up to nine barristers and QC's for weeks on end and have never once been caught telling a lie. It's very simple: I don't tell lies. I said once to someone, "If you don't like the answer, don't ask the question."

Penthouse: When you remember the Cross, do you recall all the different characters you have met there?

Anderson: Damon Runyon couldn't write a better book, I'll tell you. One day I'll get down to it and get someone to ghost a book. It will cause the biggest panic in the world. You know, like somebody rang up and said: "Look, I've got a body in my bathroom. Can you do something to

help?" Somebody's OD'd and they think Jim will be able to fix things. I said, "Well, just take the body and put it outside St Vincent's Hospital with a note on it . . . you know . . . apologies that you couldn't wait. But don't go and dump it in a boot somewhere — you'll be in all sorts of trouble." I can relate to people in trouble.

Penthouse: What other sorts of things have people asked you for?

Anderson: Oh, the number of people I've been offered money to kill you would not believe. I could lead a good life just on contracts . . . truly. I think the cheapest one I was ever offered was \$15,000. I said to him, "That's not bad, but is it worth it?" When he said, "Why?" I replied, "Suppose I get this done . . . with a man in your position, I could live off your back for the rest of your life." "Oh", he said, "I never thought of that, Jim." I said, "If you approach somebody else, just remember what I'm telling you. My suggestion is to give your lawyers the \$15,000 and settle things out of court. But if you want to do something else, do it yourself and tell nobody." They sit there like stunned mullets; they don't believe it. The last thing they believe is the truth. They think you are the "dial-a-killer." You know . . . "Hello there. Are you available tonight?"

Penthouse: Would people be surprised if they knew just who wanted whom killed?

Anderson: You wouldn't believe some of the people . . . people you would least expect. Business tycoons, ministers of religion. I had one of them; if you can believe it — a priest.

Penthouse: Wanted somebody killed?

Anderson: Yes.

Penthouse: Contract killing does go on then?

Anderson: I know of three cases where people have been killed, dismembered and put in lobster pots and left for a week. The real professionals are people like those fishermen who will go out with their lobster pots and put them down over a large area. When they pull them up they shake the bones and they fall apart. Then they smash the skull with a hammer and throw it into the sea as the boat cruises along. People have been buried under runways and in building sites as well — that's usual. But all this talk about people being put through mincers, that's for gullible people. The real professionals don't have to go in for all that mincer stuff or hanging bodies up in deep freezers. If they use a system like the one with the lobster pots, I don't care how much forensic science you've got — that's it. I know this is a morbid conversation. The system they used to use in England was to put the bodies in concrete blocks and throw them in the sea, but that came undone when the British Navy started using depth charges and the bodies started coming up. Besides, concrete dissolves in salt water. How do I know all this? Because I observe, look and listen.

Penthouse: You say you have a plan that

would wipe out heroin in Australia?

Anderson: I would use about five people I know and trust — nobody who is working the streets now. I already know the drug system, so I would get into the market and outbid everybody. That's how simple it is. Then everyone would have to deal with me and at the end of 18 months you could pick off every supplier and dealer because nobody else could import.

Penthouse: Wouldn't the heavies get on to you?

Anderson: What heavies? There's another fallacy. Mr Asia was built up as a great criminal, but he was a snivelling coward. I chased Terry Clark down Darlinghurst Road with a shotgun — that's how good he was. He dared set foot in my clubs with his dealers. I told them if I caught them in my premises I would blow their heads off. I told the police and they didn't do anything, so I came up the street after them. I caught one of them in the Showbiz and he got 60 stitches in his head and I smashed his E-type Jag to pieces with a meat cleaver. It had a kilo and a half of heroin in the boot. I then phoned up a certain police division and said, "If it's still there in half an hour I'm going to burn the thing." Within half an hour there was a tow truck and away it went. These are all checkable facts — you can go down to the hospital where he was stitched up. No. The problem is so easy if you keep things simple. In the midst of confusion lies profit — everything flourishes.

Some of the things that have happened to me were spooky things. I died once on the operating table at St Vincent's. I was lying there, my heart stopped... the full bit, and I was on the ceiling looking down. It was weird. Cardinal Gilroy came in and they told him: "He's gone, only a flicker left." I can remember Cardinal Gilroy looking down at me and saying, "I'm not sure about this one." It looked like an angel was with him. About eight weeks later, when he came to see me again, I asked him who the angel was and he said: "There's always an angel with me." But then he mentioned this sister who was with him and who always dressed in white. Then he said, "Are you frightened of dying?" I said, "No, dying doesn't worry me at all... it's quite pleasant, as a matter of fact. It's not the dying that hurts, it's the bloody living. The coming back is what really gets you." He broke up with laughter and said: "You're the second man in my life who has said that, word for word." This experience of dying has happened to me three times and I think it's pure bad temper, hatred, that brought me back.

Penthouse: This fight you say you're engaged in... how long has it been going on?

Anderson: About six or seven years... from the time I knew the truth about the drug scene. The pushers couldn't keep me separate, because they had made commitments to other people and I had the out-

lets and I wouldn't let them in. And do you know something: not one of them even asked me why. I didn't care if they sold it next door, but not with me. It's not only drugs with me... I won't even take an aspirin. I've been kept alive by drugs, but when you come off them you go through hell. I've had three incidents in my own family related to drugs and that turned me off very early on. My wife worked in the old Latin Quarter as a waitress and got hooked on drugs and no-one could do anything about it, so I did something myself. To me if the people you pay and put into position to do the job are incapable of doing it, for whatever reason, I don't feel any remorse if I have to do it myself. Take the Commacheros, who used to hang out at the Venus Room in the Seventies. I barred them. They're heavy only if you let them be heavy or if you're scared of them. I said, "Look fellas, your bikes are all out there — if they are there tomorrow we've got a war. You can come in with your bike chains and your hatchets and your shotguns, but I'll be here with more than you've got." It was a stand-off, but it suited me.

Penthouse: Were they doing drugs?

Anderson: Yes, they were bringing drugs upstairs. And they were shifting the stuff around from Bondi on their bikes... heroin. The smack is where the business is. Smack: they've got to have it. You don't have to look for customers. They come looking for you.

Penthouse: There have been allegations recently that some policemen are actually involved with drug selling. In your experience, how many corrupt policemen are there in NSW?

Anderson: You've got about 30 to 60 who are dead-set corrupt. They've inherited their corrupt positions.

Penthouse: What are they capable of doing?

Anderson: They are capable of controlling all the other police. They can completely pervert justice.

Penthouse: Murder?

Anderson: Of course. So-called accidents, suicides. I've got people who will fly back into this country to give evidence against the lot of them. Quite a lot of them had to go out because they were loaded up, positioned and everything else.

Penthouse: Are you prepared to name the names?

Anderson: I've named plenty of names to the Parliamentary Committee. Mike Willesee has got about two and a half hours of films about me which includes a lot of names as well. He's got me getting out of a white Rolls Royce and chasing Terry Clark down the street with a shotgun. There were even police in the street when that happened, and they ran. It was war. Clark was weak, actually. The only people he killed — let's be very cold-blooded here — were drug addicts, women and couriers who were addicts... weak and terrified



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people. It's very easy to kill someone who doesn't know they are going to be killed. To explain things like this makes me look like another Al Capone. But that's the position I find myself in. I know I'm being hunted. It's not bravery. I know I can't catch bullets in my teeth and I don't have any magic formula for staying alive, except that to kill me they have very limited choices. They either get me by sniping, which is the most dangerous, strangely enough. They can bomb your car, poison you, or stop you with a real police car or a phoney police car when you're going home if they know where you're going to. They can pull you over, shoot you, put a gun in your hand and say you were resisting arrest. But when you know you are being hunted, it's a different ball game. Everything's gone very quiet now; no-one's pushing me. I haven't been subpoenaed to appear anywhere and the only time I attack is in a witness box, and only when I'm asked.

Penthouse: You have said in court that you saw money being given to police officers.

Anderson: I gave evidence on oath in court that I delivered the money to them on a number of occasions. I can even produce the man who drove me there and counted the money for me because I can't count. I used to produce \$5000 bundles. I used to do \$10,000 up into two \$5000 bundles, but how they split it after that I wasn't privy to. I told the court that I delivered it to Abe and Abe handed it over. Abe would phone me and say, "How much have we got on hand, Jim?" And I would get this fellow to count it for me and he used to drive me, because it was after I'd been poisoned and my co-ordination wasn't that good. This would have been around 1978-79. We had a system of using black books and white books in the clubs. I've handed them to my Trustee in Bankruptcy and he has handed them over to the Taxation Department.

Penthouse: How many clubs in Kings Cross were you associated with?

Anderson: There was the Venus Room, La Bastille, Les Girls, the VIP, the Carousel, Showbiz, Lodge 44. I've given the Taxation Department all the information I can about them.

Penthouse: What changes would you like to see in the clubs now?

Anderson: We have to use common sense. Legalise prostitution, legalise gambling and give everyone in the tourist areas a 24-hour liquor licence. It's as simple as that. That way you'll take away the source of corruption. Stupid laws made by corrupt politicians create graft because they make earnings out of it down the chain. You should have honest police, too — police who are not controlled by politicians.

Penthouse: Like the old-fashioned English bobby?

Anderson: Well, at least they were visible. The only people who can pick police these days are criminals. Is that progress, or is it an exercise in futility? But in the fight against drugs now you have to treat it as a war and not a police operation. Even the police will tell you they don't have the funds, they don't have the manpower, they don't have the flexibility. It's like trying to win the 400-metre hurdles against Moses when you are tied to another fellow — you won't get over the first hurdle. The top blokes in the police just say, "I'll sit out my last three years and get my pension and let someone else worry about it." And anyone who rocks the boat gets the job of walking around Ayers Rock to make sure the sun sets on time. Politicians, lawyers and barristers are word mechanics — they are experts at distorting things. And if you've got the money to get the best barristers you can walk through the law.

Penthouse: What are your plans for the

Everyone bleeds.
Never think you can't
kill a newspaper reporter
or you can't kill a
policeman or you can't
kill a commissioner

future?

Anderson: What I'm going through now is only a hiccup. I didn't call this battle on. But I'm going to win it, and I don't give a stuff who else it pulls in.

Penthouse: Have you given any statements to the police?

Anderson: I refuse to speak to the police. I said under oath that I'm not going to give them statements so they know what I'm going to say and they can protect the bastards before I go into court. It's a game of chess. Nobody knows how to pay me off, but don't think I haven't been offered plenty. All I want is the money that Saffron owes me. I've told my trustee about it, and I've made Saffron one of my major assets. If Saffron had paid the money he owes me, I could have reopened. I tried to open a club out at Hurstville, an ex-poker machine place which I wanted to turn into the New Zealand Social Club. The whole thing was delayed, it went to the Lands Court where the idea was knocked back, and then we had to send the company into liquidation. I lost well over \$1 million in the two to three years we were trying to get the place opened.

Penthouse: You have said that the financial system is being used by drug dealers here.

Anderson: Yes, to get loans and get money that can be explained — to produce white money. The black money goes overseas and into a secret numbered account. Don't think Switzerland is the only country with secret numbered accounts, but that's another story. The money comes back into Australia through big finance organisations into a legitimate company here.

Penthouse: But how do they get it out in the first place?

Anderson: Money couriers are legal. You aren't breaking any laws by taking money out in US currency.


Penthouse: But how do they get the US currency to begin with?

Anderson: Now there's an interesting story. You can bring in as much US currency as you like and you can take out as much as you like. Why do you think they have never arrested me? I don't break the law. I bend it severely at times, like any businessman does. They all know I'm short of a quid, but they can't figure out how I keep going. Wran thinks I'm being paid by the Fairfax press. I wish to Christ I was. I'd give them the best stories in the world. If Costigan had hired me he would have finished his inquiry two years earlier. I've never been able to lie down and cop it sweet, which is a flaw in my character, I suppose. But when the battle started nobody gave me a snowball's chance in hell of beating them. I attacked them where they rule supreme — in the Cross. That's the only place to attack them, really. I'm like a sleeping timebomb sitting under all of them.

Penthouse: What is the drug scene like in the Cross today?

Anderson: Since I left the Cross actively, the drug scene has just exploded. The pushers are riding high, wide and handsome. They'd be pulling in here . . . and I mean the eastern suburbs as well . . . around one and a half to two million dollars a week in cash. Multiply that by 52 and that is what you are fighting. You can't hide those sums of money without a legitimate front. I can open up a nightclub that will lose me \$20,000 a week to actually run it and show a profit of \$5 million a year and pay tax on it. It's not difficult. I'm an expert at that.

Penthouse: And will you keep on fighting?

Anderson: Everyone is frightened to speak out against established power bases like politicians, judges, financial institutions, people in powerful positions. But they're playing at being power brokers or puppet masters. Organised crime knows how to fight and as far as the public is concerned the government has been nobbled. As for me . . . I've been there and back in a wheelbarrow. I've been bombed, shot, beaten and I'm still here. But I certainly don't want to go through it all again. Not by any means. 

*Handed to Weinberg / Made by
Anderson. Statement Anderson
was to give to NCA.*

STATEMENT OF JAMES McCARTNEY ANDERSON

James McCartney Anderson states:

I am a theatrical producer living in Sydney.

I was born in Scotland and came to Australia for business purposes in 1957. In about 1966 I first met Abraham Gilbert Saffron (known as Abe Saffron) in Surfers Paradise. He approached me to supply entertainers to his establishments in Sydney.

At that time I was asked by a Sammy Lee to assist him in running the Latin Quarter Nightclub in Pitt Street, Sydney. I became his assistant manager and remained in that job until shortly after a man named Ducky O'Connor was shot. At the same time I was working as manager of the Show Biz Coffee Lounge, Darlinghurst Road. It was whilst I was there that Abe Saffron approached me to manage the Venus Room Cocktail Bar and Grill, 6 Orwell Street, Kings Cross. The manager at the time was Brian Buckett, who I understood was due to go to Fiji.

I became the manager of the Venus Room in about 1967. Initially I was working on a trial basis, then, after a few months, Abe Saffron and I entered into negotiations for a partnership arrangement. We eventually agreed on a split of the profits, 60% to him and 40% to me. I was also to get a wage of about \$100 a week. He said he needed the extra percentage because he had to pay what he called "silent partners" in the business.

As far as I was aware, Abe Saffron owned the Venus Room. I became the licensee of the premises, Saffron was permitted to hold a financial interest.

The first 12 to 18 months of my involvement in the Venus Room was a setting-up period and not very much money was made. As manager, during the early period, I did the book-keeping of the business. Later on, book-keepers were employed for this purpose. They included Ann Von Stroheim, Lyn Reid and Dianne Lichtenegger. As time went by and Abe Saffron and I became involved in other businesses such as the Carousel Cabaret, the Laramie Restaurant, Jim's Show Biz and La Bastille Restaurant, one or more of these book-keepers did the books for those businesses also. Abe Saffron instructed me how he wanted the books kept and I passed those instructions on to the book-keepers. It was apparent from my dealings with Abe Saffron that throughout the period of our association with these businesses he was well aware of how the book-keeping systems operated.

Although the permitted operating hours of each of the businesses were restricted under license Abe Saffron told me that he had made arrangements with certain Police Officers for the businesses to operate unrestricted. He told me that we had to make regular payments to Police so that the businesses could operate outside permitted hours. Most of the payments were made by Abe Saffron some were made by me. Between us Abe Saffron and I made payments of several hundred and sometimes thousands of dollars at a time to many different Police Officers from the N.S.W. Police Force on a weekly basis between about 1968 or 1969 and when our association ended in about 1981.

This money for the Police was paid out of what was known as the "black takings" from the various businesses. Although, as a rule, I used to hand the money to Abe Saffron for him to give to the Police, I was sometimes present when the money was handed over either at his office at the Lodge 44 Motel or at the premises of the Crown Liquor Store in Crown Street. Despite not being present on every occasion it was clear from what Abe Saffron told me and from my observations of and conversations with the Police Officers who received these payments that regular payments were in fact made.

It was arranged between Abe Saffron and I, at an early stage in our business association, that some of the takings from each of the businesses would not be declared for tax purposes. That portion of the takings which was not to be declared to the Commissioner of Taxation was known as the "black" money. That portion which was to be declared was known as the "white" money. The "black" money and the "white" money were recorded separately in the book-keeping system. I can't remember when it started but during later years separate books were kept for this purpose. They were known respectively as the "black books" and the "white books". The "black" Takings Books recorded details of takings from the various businesses and of expenses deducted from those takings in accordance with information supplied to the book-keepers. The "black" Wages Books contained details of the wages actually paid to the employees. The "white" books contained only the details of takings, expenses and wages which were to be supplied to the accountants for preparation of tax returns. I identify the following as examples of the "black books":

- (1) Venus Room Takings Book
28 October, 1973 to 9 March, 1975
- (2) Venus Room Takings Book
16 March, 1975 to 30 June, 1976
- (3) Venus Room Takings Book
year ended 30 June, 1977
- (4) Venus Room Takings Book
year ended 30 June, 1978
- (5) Venus Room Takings Book
year ended 30 June, 1979

- (6) Venus Room Takings Book
year ended 30 June, 1980
- (7) Venus Room Wages Book
year ended 30 June, 1973
- (8) Venus Room Wages Book
year ended 30 June, 1974
- (9) Venus Room Wages Book
year ended 30 June, 1975
- (10) Venus Room Wages Book
year ended 30 June, 1976
- (11) Venus Room Wages Book
year ended 30 June, 1977
- (12) Venus Room Wages Book
year ended 30 June, 1978
- (13) Venus Room Wages Book
year ended 30 June, 1979
- (14) Venus Room Wages Book
year ended 30 June, 1980
- (15) Carousel Cabaret Takings Book
January, 1975 to February, 1976
- (16) Carousel Cabaret Takings Book
February, 1976 to 30 June, 1976
- (17) Carousel Cabaret Takings Book
year ended 30 June, 1977
- (18) Carousel Cabaret Takings Book
year ended 30 June, 1978
- (19) Carousel Cabaret Takings Book
year ended 30 June, 1979
- (20) Carousel Cabaret Takings Book
year ended 30 June, 1980
- (21) Carousel Cabaret Wages Book
year ended 30 June, 1975
- (22) Carousel Cabaret Wages Book
year ended 30 June, 1976
- (23) Carousel Cabaret Wages Book
year ended 30 June, 1977
- (24) Carousel Cabaret Wages Book
year ended 30 June, 1978

- (25) Carousel Cabaret Wages Book
year ended 30 June, 1979
- (26) Carousel Cabaret Wages Book
year ended 30 June, 1980
- (27) La Bastille Restaurant Takings Book
27/8/78 - 24/6/79
- (28) La Bastille Restaurant Takings Book
year ended 30 June, 1980
- (29) La Bastille Restaurant Wages Book
year ended 30 June, 1980
- (30) Laramie Restaurant Takings Book
year ended 30 June, 1976
- (31) Laramie Restaurant Wages Book
year ended 30 June, 1976
and from 4/7/76 - 12/9/76

As far as I can tell and from my recollection of the businesses during the periods covered, these "black books" accurately record the transactions to which they refer. Most of the books are in the handwriting of either Lyn Reid or Dianne Lichtenegger. I always found them both completely reliable book-keepers. All the books listed are "black books" of businesses in which Abe Saffron and I were partners throughout the periods to which they relate.

Abe Saffron and I had the same partnership arrangement (60/40 split of the takings) with the Carousel Cabaret from the time I became manager until our association ended. I became manager shortly after I left hospital following injuries received in an explosion at the Stoccato Club. I think this would have been about early to mid 1974. We had a similar arrangement in relation to the Laramie Restaurant. The partnership arrangement in respect of the La Bastille Restaurant and Jim's Show Biz (which were in the same building) was for a 50/50 share of the profits.

I am also able to identify a book in the handwriting of both Lyn Reid and Dianne Lichtenegger entitled "A.S.'s Book 3.6.79 to 1.3.81". This is one of a number of books (some of which I have identified above) relating to the businesses in which Abe Saffron and I were involved which I retained at the time our partnership split up.

During later years the liquor for the "after hours" trading of the various businesses was supplied by the Crown Liquor Store in Crown Street. Looking at the "black" Takings Books of the Carousel Cabaret and the Venus Room it appears that this practice started in about July/August, 1975. This was Abe Saffron's idea. He told me that the Crown Liquor Store bottled its own liquor and was set up to supply liquor for all of the "after hours" trading in the Kings Cross area.

In the businesses I was running this liquor was paid for by operating one of the cash tills at each establishment as a "black" till. The "black" till would operate in whichever part of the establishment was busiest at the time. When it was decided that a particular till was to operate "black" it would be totalled off and from then on money taken in that section of the establishment covered by the "black" till would not be recorded. It was my practice to handle the cash taken by the "black" tills. Whatever was leftover after paying for the liquor from the Crown Liquor Store I passed on to Abe Saffron. That part of the takings which went to the office for recording in the "black books" had various other deductions made from them (including a portion which was banked) and the balance was either handed to Abe Saffron by the book-keepers or they handed it to me and I passed it on to Abe.

I could not give an exact figure but I estimate that, over the period of our association, the "black takings" from the businesses that I handed over to Abe Saffron amounted to several million dollars.

James McCartney Anderson

Statement taken and signature witnessed
by me at _____ on _____ at _____

.....

I hereby acknowledge that this statement is true and correct and I make it in the belief that a person making a false statement in the circumstances is liable to the penalties of perjury.

.....
James McCartney Anderson

**Acknowledgement made and signature witnessed
by me at _____ on _____ at _____**

.....

CONVERSATION BETWEEN MR JAMES MCCARTNEY ANDERSON, MARK WEINBERG
AND DAVID DURACK COMMENCING AT 10 AM ON 4 JULY 1986

W: Mr Anderson we have just spent about a quarter of an hour outlining to you the nature of this Inquiry and the powers of the Commission and you will recall that I just said to you that the two matters we were most interested in were, firstly, any material that you can give us relating to the Judge's association with Abe Saffron or other persons of that type and, secondly, the Sankey matter. Perhaps we might leave it to you to start off for us telling us, firstly, have you personally met the Judge?

A: Yes.

W: And, can you tell us when that first occurred?

A: The actual date, I'm not sure. But it was in the Venus Room - it would have been early 70's I would think.

W: Alright.

A: There was nothing sort of outstanding about the meeting. I got informed by Abe Saffron who phoned me from Hopetown Avenue. The telephone number was [REDACTED]. That was the phone number when he was staying at Hopetown Avenue. He said that Senator Murphy would be coming in. I'd look after him, give him no bills and let him know as soon as he arrived in the Venus Room. In those days the Venus Room would have been the best American cocktail bar going in Australia - it was done up very nicely. Senator Murphy arrived with a rather beautiful Asian lady, and I was informed afterwards was Juni Morosi. I didn't pay much attention to her at the time. He'd had a few drinks...

W: This is one night I take it?

A: This is one night. He arrived and before he arrived I made sure that a certain person served him to make sure that he wasn't bothered, you know sort of

W: Are you able to tell us the name of that certain person?

A: I will do later. Sort of Abe's mates coming down with the Senator blah, blah, blah... He arrived, he sat down, he was served, I phoned Abe and said "Look, the Senator's in". He said "Oh, I'll be there in ten minutes". He was a bit longer than, 15 or 20 minutes he arrived. He walked across, I can even remember the exact table he was sat at, it was the first table on the right hand side against the wall in the Venus Room which was a booth. The Asian lady was sitting on the inside, he was sitting on the outside. Abe arrived about 15-20 minutes later, walked up and he didn't sit down though but he stood there. Murphy stood up when he came in, he was introduced to whoever the lady was, and Abe - it must have been half an hour they were standing there talking and Murphy sat down and Abe stood in the passage way and they talked away and everything else, and nodding their heads and sort of friendly conversation type thing. Then Abe walked up and said "That's good whatever he wants there will be no problems, good oh", and he then walked away - out of the club and I didn't see him again that night. Mr. Murphy left about, oh, 20 minutes at the most after Mr Saffron left the establishment. And then possibly about a few years after that I was moving up the ladder....

D: Could I just interpose a question there. In relation to the introduction of Mr Saffron to Senator Murphy as he then was, was the way the introduction was done that they were meeting then for the first time?

A: No. Oh no, it wasn't a first time meeting. The mannerism, the way they spoke, they obviously knew each other. It was just that

D: Did you yourself have a conversation with the Senator.

A: No, when the Senator came in he stood there, I said, "Oh, Mr. Murphy" I said, "this way" and took him up and sat him down at the table. And then sent the person up to serve.

D: Right.

A: And then stayed away. At these sort of meetings I used to observe and stand off.

W: You know yourself of your own knowledge that the Senator was not charged anything for that evening's bill.

A: Oh no. He wasn't charged anything.

W: Did he get a meal as well as a

A: I'm not sure if he had a meal but they had drinks.

W: Yes.

A: Like you know it was just a ... I was basically making sure thatwere to be kept out of their way from that end of the room. Because the Venus Room didn't get busy until about 11 o'clock at night. The hotel used to close early and we used to pick them up.

W: So this is earlier than 11 o'clock.

A: Oh yes, this was about 10, perhaps half past nine say tenish approximately till about 11. That was the time

span of it. When, a few years later, I was making
lost of money then the partnership deal was getting
organised and I got a 60/40 split. I can remember sort
of I wasn't too happy at it.

W: That is the first meeting

A: Yes.

W: And there had been a 60/40 split at that stage.

A: At that stage a 60/40 split was on when I took over from
a Mr Brian Bucket. Brian Bucket is a very personal
friend of Frank Walker and Frank Walker used to come
into the Venus Room. He was Abe's lawyer as a matter
of fact and he did a lot of contracts and leasing
whatever it was at that point of time. When I wanted to
take over the Venus Room - not the Venus Room the
Carousel. We had an argument over the 60/40 split. Abe
said Look, he said, I've got silent partners I have got
to pay. I said, like who. He said Oh like Morgan
Ryan, Lionel Murphy. He said, they have got to be
looked after, they look after certain areas.

W: When did that conversation take place? Approximately.

A: I try to relate to dates with incidents. Like I am
never able to keep tapes or written.....It would
have been some time after I got blown up in the
Staccato. This is when we, ah....I was on the bar
there the Carousel to get away from Abe. At that time I
thought look you know this is a little bit tropical like
you know this is going to blow up eventually. Because I
was aware of the things that Abe used to organise. And
I got blown up. About two weeks I was trying to
negotiate the purchase of the Carousel.

W: What year did that take place?

A: I am not sure, you would have to dig that up.

W: That wouldn't be difficult to....

A: No, I think Neil would possibly have that date down somewhere, because that's how I relate to

W: But you had a conversation with Saffron, where did that conversation take place, do you remember?

A: I think, most probably Lodge 44 because that's where most of the meetings in those days took place.

W: Was that the first time he had ever told you who his silent partners might be?

A: It is the first time I became aware that he had silent partners that I wasn't aware of. And I became aware later on that he had a Donald Donald who is the lesbian who runs most of the gay scenes in Sydney and a Frenchman called Auget(Ojay) who also fronts for Saffron. But nothing surprised me at that point of time because you know he was like Al Capone, he made commissioners, he controlledand all sorts of things.

D: Did you know at that time whether Morgan Ryan did legal work for Abe Saffron?

A: Morgan Ryan's name had been mentioned but I had never any sort of physical contact or business contact with him. The person that I had most contact then became the Ombudsmen for New South Wales. Ken Smithers who handled the brewery contract - Smithers Warren and Tobias I

think was the company. They used to do all the shonkey....leases and agreements between managers.and.make you the.licensee.- you know take the oath.

W: Had you met Morgan Ryan personally before you met the judge at the Venus Room on that first occasion?

A: No. Walker was the first one that I became aware of, as Abe's lawyer. Then Murphy surfaced. The first time I physically met Morgan Ryan was Abe brought him into the Venus Room, wanted me to sign a couple of papers for Chinese cooks as it was put to me which I agreed to do.

W: Could I just take you back to the conversation that Abe had with you about his silent partners when he named Murphy and Morgan Ryan, was anyone else present at that conversation?

A: Not at that conversation, because it was a bit of a ...it was not a heated conversation but it was quite like I was sick of getting the short end of the stick and I wanted to know like well you know if I'm getting 10% less like he was still getting 50, the person who gave me my 10% and he took 10% out which went to Morgan Ryan and Murphy which was looked after the....the behind the scenes that controlled the police. That was basically the explanation that was put to me. Like you know, for the grease wheels of officialdom.

W: Can you do your best just to tell us what the conversation was in full when he mentioned Morgan Ryan and Murphy were his silent partners. Did he actually spell out what they did?

A: No, he just said I have other people I have to look after. I have silent partners. And I said, yeh, like who. Because Abe was usually pretty evasive. He doesn't say very much. He said, oh he said I have got to look after Morgan Ryan, I have got to look after Murphy and people like that.

W: Did he say what percentage of the business they owned?

A: No, he didn't actually specifically how much of a percentage he owned but he was definite that my 10% was going to them and that he had to match my 10% and that's why it was a 60/40. And I never pursued the subject after that, because that's the way things are done - especially in this State.

W: And was Murphy a judge of the High Court at that time, do you think or was he still.....

A: No, no, Murphy was Senator at that time. This was before...

W: He became a judge in February 1975 and was he a Senator or would he be Attorney-General at that time?

A: No, he was a Senator at the time. I think it was before Whitlam went into Parliament.

W: Right.

A: I'm nearly sure that's when it was. And when Whitlam went into Parliament Murphy became Attorney-General and I used to sit back and watch him perform with his ASIO tricks and other things and I used to shake my head.....ASIO like he has Abe as a partner like you know what's secret and I got a few sarcastic

thoughts to myself about the matter then there is the big blow up with the labour party and a few other things and then there was a bit of a scandal or something it was over ASIO things and it wasgetting real, ah and then Murphy either resigned or retired and was appointed to High Court and then Danny Sankey ...

W: I must stop you at that point. So you had this conversation with Saffron and he told you that he had silent partners, they were Morgan Ryan and Murphy. Nothing more was said about Murphy at that point?

A: No.

W: Did you see Murphy again at the Venus Room at around that period of time, did he come to the Venus Room.

A: That was the only time that I can only physically remember it was a definite meeting, it was organised. Round about that time Harry Miller was running Hair, Jesus Christ Superstar and a.....at the top of.....Street. I got the recollection that a couple of times over the years that Murphy in a group came into the Venus Room, it was either before the show or after the show. But we were very very busy in those days, like you didn't have much time to sort of....and quite a few sort of what you'd class of celebrity used to pop in and out andhimself.

D: Sorry, did the Venus Room at that time have any prostitution side to it?

A: At the time he came in, no, no there was no prostitution on at that point in time. Although it had been discussed, escort agencies and the like. Then I ran into Murphy one afternoon, ah, when I was going up to

Lodge 44, it would be between 2 and 2.30 because I always used to try and get there before 3 o'clock. 'Cause after 3 o'clock this is when you see Morgan Ryans, Frank Walkers, Merv Woods, like the powers that be in New South Wales used to visit Lodge 44

W: Which day of the week, would it be on a daily basis or..

A: No, it was on a daily basis. There was actually more traffic at one stage at Lodge 44 than there was in Macquarie Street

D: Let's just clarify exactly what Lodge 44 was at that time.

A: It was...at that time it was a I'd put it down as a four star motel. Abe had his offices at the garage entrance to it. He had a cocktail bar and thing upstairs. I'm not sure how many rooms was in it. But, this is where you'd have customs officers coming from Melbourne and from all over the place, would come in, stay there. And they'd be fed and ladies would be supplied and a lot of business being done was done at Lodge 44. At this time there wasn't any stigma attached to Saffron like there is now. He was just a misunderstood gentleman and a good family man and all the other bits and pieces of it.

D: Was it a brothel too at that stage apart from girls being provided because it was a motel, but did it have side to it as being what they call massage parlour and things like that?

A: No, later on it did, when it sort of dropped its standards, it became too hot for people to visit there. Then they transferred to a place called Crown Street. That's where Mr John Deputy Commissioner said it was impossible to have meetings there and anything

else. But I ran into Murphy, he was walking down, it was a rather steep ramp and Abeas you went in, up the ramp, you never went into the front of the Lodge 44 up into the cocktail bar and you phone down to the office to make sure that, there was usually people there and sometimes nobody wanted to meet each other and that sort of thing or acknowledge that everybody was doing business in that place, and you had to walk where the cars went and Abe's office was, you just turned left at the top of the ramp and you phoned up then people would come out, or you'd say I'm busy just...I'll give you a tinkle when I'm free. I ran into Murphy, 'cause its a rather steep thing and he was a bit of a totter coming down, like you know because I always used to have a good drink, champagne and cognac was the usual drink, I believe it still is and.....And we just nodded to each other and that was the sum total of it.

W: You didn't speak to him on that occasion?

A: No.

W: But he recognised you?

A: Oh, yes.

W: How would that be, he had only seen you on one occasion, what, several years earlier?

A: Well, by that time I had started my rise in the criminal world , I had to kill what they call the enforcer of a man known as the iron glove.who used to run all the prostitution in Sydney. Linda Marshall was a vice queen and Danny Smith the man with the iron glove as he was known as was the muscle and he had a team of heavies that used, used to mutilate you or kill you, whatever was necessary. And they had a big blow up, Vic Green

was the vice boss at the time and you had to close down all the lanes, Wood lane and Palmer Street and all that. Then they had a meeting of the crime bosses, the McPhersons and all that crowd and decided that cocktail bars was the way to go and for some unfortunate reason it was decided that the Venus Room would be the first one. It was off the main drag it wouldn't attract attention, the police girl was there, um, and the...

D: So the police

A: The police agreed that that was the way to go. Nobody does anything up here without police permission which meant political permission. And providing that there was no paper hitting the decks or adverse publicity it could be handled discretely. I got a visit from Donny Smith, Jackie Clark, like they wanted to talk to Saffron. They obviously wanted direct contact to him. And I was aware of who the people were but they didn't know me from a bar of soap. And they said ah like you know we want about half a dozen girls at the bar, you'll be looked after, the usual things that they talk. I said, well look mate, you'll have to talk to Abe about that. I said I can't give you permission for that, as I don't want to And I contacted Abe and he said, Oh they're bad people. I said I know they're bad people. I said, I know them from the Latin Quarter when Dudley O'Connor got murdered and the police were sitting at the next table. He said, Oh..... I said, well look Abe, I said, if you are going to bring them in I said, I'm out, like you know pay me what I'm due up to date and you do your own thing because I said because that's troubleI don't know whether you know Mr Saffron its look the voice from the tomb - he would phone you up, Abe here, and then would wait for you to talk to him. ..Like he's a very good psychological person. Anyway he said Oh no, I

don't want to speak to them. And I said, you realise you are putting me in the middle because to speak to you now they're gonna have to take care of me. I said, now this can be very messy. I said, because I won't back off to these people. You do what you have to do here Jim. So anyway he came in and went on with a tirade like find you in the gutter and.....who do you think you are and that sort of business.

W: You say that you got pretty well known about this time?

A: At that time, because what happened was nobody argued with these people. You just got killed or disappeared, or you left the country, you had the choice.

W: When the judge saw you on the ramp that day, was he just moreorless saying good day as a sort of a friendly greeting.

A: He was aware who I was and just friendly nod, like you know, because by that time I wasn't aware of it at that point in time I became aware of it later and in hindsight I should have known it earlier was Abe used me as a bit of a terror weapon on people in business. He always used to imply I was in the business with him and I wouldn't agree to certain percentage splits and everything else.... I didn't have a clue in hell what was going on. I found out later when people went to friends of mine and said, Oh look you know I was a bit worried doing some business with Abe and you know we don't want to upset Jim.....Like you know he is a very superintelligent man Saffron. He doesn't look the part, like you know and at that time I did start to gain a certain notoriety as a heavy as the expression was in those days. Like you know I had actually, when they came in I said, look let me give you a piece of advice,

Danny. I said, I can do your job better than you can do mine. I said, and if that doesn't tell you something forget it. I have done five and a half years in thecommandos. I learned more ways of killing people and handling people like that than you can poke a stick at. That's the side of my life that never came up, I'm the heavy gangster sort of thing so that's how you make it, like you know the power of the gun sort of thing. From that time on I became notorious. A man could walk round, people who had a lot of problems would come to me. Now never charged people for looking after problems, and this is when I made an awful lot of friends over the years in your area, legal, business, knights of the realm that had problems with blackmail or very strange things start happening in the family would ask for help. If I could do it I'd do it if I couldn't I'd say well this is the person you want to speak to. And that's the only thing that kept me alive is favours coming from the back. Like you know....

D: Favours earned.

A: I didn't.....you didn't get it from me this is going to happen to you. Like you know, they organised to have me set up at Sydney Airport on the way out with some hot jewellery that had been stolen from Central Police Station.

W: Yeh, we know that story.

A: That was incredible. Now I got that from a person I'd like to bury, I don't mean kill 'em, but like, ah, a gentleman, I won't mention his name because like it wouldn't be advantageous to you would cause you would cause you more problems than anything else, and he said look let Jim know this I owe him one. And I became aware of what was happening and people got a terrible

shock. And..I've got more friends than enemies. Unfortunately, I picked the worst enemies in the world, the Premiers, the Attorney-Generals and Prime Ministers.

D: Could we just go back to the ramp incident. After you saw Lionel Murphy on the ramp, then you went in to see Abe Saffron?

A: No, I went up to the cocktail bar, then I went down to see Abe.

D Well, when you saw Abe Saffron was mention made that he had had a meeting with Lionel Murphy a that stage, to you?

A: No.

W: You didn't discuss the fact that you had just seen Murphy?

A: No, because I used to see, like, people walking in all the time. It was one of those..

W: What was Murphy wearing that day, was he wearing a suit?

A: No, no. He was wearing, actually he looked out of place 'cause he was wearing pinstripe type of - like a London businessman, you know how a London business man wear, like he wasn't dressed up like a judge or,....

W: Do you think he was a judge at that stage or, was your recollection that you were seeing a judge or that you were seeing perhaps the Attorney-General of Austeralia? It won't be a very difficult question I'm just trying to put you back in the....

A: No, it's not. He would have been the Attorney-General then. And I saw..... before.

W: Was he on his own?

A: On his own.

D: This would have been about 1974 then.

W: Round that period.

A: Round that...no he would have been an Attorney-General then.

W: Why didn't you raise with Abe the fact that you had just seen the Attorney-General of Australia coming down the... it would have been a

A: It would have been an event of interest. I mean I see politicians walking out of the place, senior police officials, knights of the realm, people like Sir Arthur George and people like that.

W: that the ramp must have meant that he had been into the office to see Abe, was that where the ramp led from?

A: I might come up because that part in that little garage which was right underneath his office and as I walked up he was walking past the ramp, and instead of walking up and walking in I used to walk through there was a bit of a, not a fish pond but people used to throw coins in front of so that..... type thing and I usually stepped round the corner and Murphy came from where the door is, that is the only door.

W: The door that leads to Saffron's office.

A: The door that leads to Saffron's office. I can physically show you the place. I don't think it has been changed since then.

- W: I think it has been closed down actually, Lodge 44.
- A: Has it.
- D: There is a restaurant down the bottom and its got a big padlock on it as it's locked all the time.
- W: The building really looks as if it has been closed down.
- A: Well I can show you where his office is. Physically it will still be the same.
- W: And he couldn't have been coming from anywhere else.
- A: There is no other place he could have come from. Because there is no car park. Like, can I borrow your...
- D: Yes.
- A: This is New South Head Road, Edgecliff.....this is Lodge 44. There is a galleries there. And there is the entrance into Lodge 44. This is the driveway leading up here. Now this is all car parking space there. Abe's office, you come up this ramp and Abe's office physicallly there. The door to Abe's office was there. There was no cars parked there, 'cause I parked underneath, I walked up to there and I crossed there to get into Lodge 44. And Murphy came from here. I didn't physically see him come out the door but there is no other place he could have come. And there wasno cars parked there.
- W: Right. So he plainly had not been getting out of a car.
- A: No, no. There was no car. He had to come out of Abe's office.

W: O.K.

A: I know it might sound a bit blase but the Attorney-General Lionel Murphy or whatever title he's got at that point in time was nothing special.

W: Right.

A: Like he, there was no value to me. Had he been Ken Smithers, Arthur George, Peter Ables, people like that, um, I would have thought, hello a bit of business on. It was one of those - like Murphy's interlinked in so many things so it was obvious to me at the time that he was a behind the scenes fellow.

W: Was that only because Saffron had told you once previously that Murphy was a silent partner or did you know more about Murphy?

A: I know that some other people which is hearsay but I'm talking about working ladies that were supplied for the little sex orgies that Abe used to organise that Murphy used to attend.

W: Could you tell us a bit about that, I know it's hearsay, but it is important.

A: Um, Abe is bisexual. Right. Um, Murphy's one weakness is ladies, always has been. Um, he used to be into, before it became sort of common practice kinky threesomes and foursomes and all that sort of business, um, Abe would organise these sex parties for people like Morgan, Arthur George, Murphy, Merv Wood, Jim Chitty, he liked boys, like he had everybody gazetted, he knew what their fetishes were and used to pander to them. They felt safe because Abe would join in.

D: Would you be able to tell us anyone that may have participated in some of those events which would be able to speak to us, to give some verification to that.

A: Getting them to speak to you is another kettle of fish. Abigail was, when she was a star in 96 was one of the prime performers for Abe and Murphy and all that crowd. Rita..

W: She told you she had been with Murphy, did she, Abigail?

A: No, but the girls that used to have to go up with her told me.

W: Yeh.

A: Like, you know, ladies that preferred ladies and that sort of thing.

W: Yeh.

A: Um, and Roget, the frenchman, I never remember his second name, he fronts for Abe and the casinos as.....New Calidonia. But that's never been established but I know it's a fact. Um, he used to supply the young boys and all that sort of business for the sexual parts. And it was common knowledge in my sphere what was going on.

W: Where did these orgies take place.

A: He had apartments in MacLay Street. Sometimes it was lodge 44, sometimes it waslodge. The strange thing about Abe, Abe was a cheapskate when it came to putting on these parties. Um, he used to do it for nothing. He'd have people that were working for him

supply, people who run parlours send up some girls, I'll look after it. But it was never actually passed, never exchanged hands, it was all deducted that figure and take some out of that till and do it that way sort of thing. Um..

W: But when did you first learn that Murphy was one of the people who was participating in these parties.

A: His name had been mentioned in general conversation as, um, trying to remember who had a nickname for them, the group, like you know, Saffron, Murphy, Frank Walker was another one but he was a young trendy in those days and was great to mix socially and everything else. And, ah, I don't remember the name, we had a sarcastic name amongst ourselves like you know kinky wasn't the word that was used in those days. Like it was deviates and all sorts of very high-faluting words and it was just the in-group. Gordon Aldrich was another one. I wonder if you know who Gordon Aldrich is. He is one of the most powerful lobbies. It will be interesting to see how.....goes because he is up to his eyeballs ..L.J. Hookers and I'm going back to the days of the Rex Hotel in Canberra and things like that and the Rex in Kings Cross used to be the highclass place where ladies used to operate from the cocktail bar.

W: Are you saying this is one.....

W:Morgan Ryan.

A:was Morgan Ryan. There was a very successful group of high profile public figures, businessmen, city wheelers and dealers basically. Like you know, if you wanted a contract somebody who would look after somebody else when it came to the sexual thing they would

organise girls for visiting VIPs and all that sort of stuff.

W: Did you ever actually attend one of these parties yourself?

A: Well, it's not my cup of tea. I never socialised with Abe Saffron in my life. Like I wasn't into his, the way he conducted his private life wasn't my cup of tea. However, I'm not a prude. I was making my money at the cocktail bars and everything else, and lots of money I may add, and I just didn't want to know. Like you know, if you wanted something organised I'd get somebody else to organise it.

W: You're saying in fact that it was common knowledge that Murphy was involved in risque behaviour.

A: Oh yes, it was common knowledge.

W: Can you tell us the names of anybody who might be able to directly

A: I know for a fact that the person who was at the party at Kensington where his number two wife Rita was, there was a birthday party. Now I'm not sure whether it was Rita's birthday or Abe's daughter's birthday, but Murphy was at that party. Because a friend of mine was at that party.

W: Did that turn into a sex thing or..

A: Always does. Like you know, like it

W: Can you tell us the name of your friend.

A: His name is Ron Mercier.

W: Ron Mercier.

A: Ron Mercier, Mercier Publishers.

W: Is he in New Zealand?

A: He's in New Zealand but he would not, like he had to leave Australia basically because of, he took my part when Saffron started doing the wrong things and said Look you know that's ridiculous, you know..

W: Would he be prepared to come back and give evidence before the Court?

A: No. I sounded him out National Crime Authority wanted to talk to him I said like you know, there's not many idiots like me that are prepared to come up, I'm not a hero I'm a professional coward. I find it extremely difficult to put people in the position I'm in at the moment. I can see a bit of daylight at the end of the tunnel though. Though I might finally get into your witness box and like credibility and everything else can be established beyond any doubt. This is the reason I have never had a subpoena to appear anywhere because I will not give statements - not even to you. I can discuss it on tape, you can have it there, I don't know and I'm not a hundred percent and I want to be perfectly honest with you. I've watched this go through, the prostitution inquiry was a classic example, right. Out of fairness because the last thing I need is headlines. I get headlines without even trying. Um, so I owe Justice Kirby I am very annoyed with that gentleman. Because he is a past friend of Mr Saffron through Morgan Ryan and through Neville Wran and through that type of company. I can destroy Kirby if I ever appear in front of him again I will destroy him from the floor of the

Court. Like you know, because he patently manipulated the Appeals Court in a certain matter that was before him, of Packer and Willesee. He then patently said I was doing it for publicity and Mike Willesey knew it wasn't for publicity. Like it was to get it on film and I told Mike straight to his face. I said there is no way in the world this will ever see daylight. I said now I know and you know your boss upstairs couldn't allow it to get there. Because I have just been approached by Waterhouse to get a million dollars off Packer that you haven't paid Waterhouse.

W: Bill Waterhouse.

A: Bill Waterhouse. And Neville had an agreement with Packer and with Murdoch for favourable price by giving lotto and everything else. So I know exactly what was on in the wheelings and dealings in the area, and....

W: There are no wheelings and dealings in this Commission and..

A: Well with all due respects I have heard this so many times. I mean I will be quite honest I think Murphy should be forced to retire because he is not doing..giving British justice any value at all the way he is getting on with it. If he retired and it was finished. Great. But...

W: You would understand that we've got to assemble whatever evidence we can in this matter and that's why we are asking you these questions, and..

A: I'm not questioning your intent. But when I saw what happened at the first time I surfaced was the Parliamentary Committee. I was asked to go to that and

volunteer and round up some more but please take me, I was asked by a politician who said, Jim would you come in because you can open the box on him.

W: That was public session. There will be no public session, there will be no public session and no publicity of any evidence that you give before this..

A: But in fairness to Murphy and everybody else I said I think I should.. these are public figures, certain others I don't.....

W: Well you gave that evidence in Canberra. Then Rogan patently and blatantly lied publicly to the media and Parliament that I did not come back and complete my evidence. Now that is wrong. Now if they can do that at that stage I don't say your intents are faulty..

W: That was a Parliamentary Inquiry, that's politicians. We are not involved in politics.

A: I realise that, but politicians make strange bedfellows, and judges are politically appointed on old favours as you know and I know.

W: Not retired judges, that's the first thing. These blokes have got nothing further to gain from anything.

A: Well I think not having New South Wales judges is a big plus. You can appreciate my cynicism that I've been through this, I've been there, done it.

W: Had your fingers burned.

A: I don't mind getting burned. I've been, 80% of my body if burned and skinraft. But

W: All we can say is you will get a fair go from this Commission, O.K.?

A: I'm not interested in getting a fair go. I mean I have got, providing I can live I will win. It's just a matter of being in the right place at the right time. Now, the information you are asking me has been common knowledge for years.

W: It's one thing to have common knowledge, it's another thing to have somebody who is prepared to come along and give evidence which is admissible. That's why we need to know for example, are there any other persons that we could approach who could substantiate, not in a hearsay fashion,

A: When I finish with you as I have a cup of coffee in Double Bay at the Cosmopolitan, that's the office, that's where all the business is done in 90% of...

W: Among the Hungarians?

A: Hungarian mafia I call it. Like you know I don't think you'll ever get Peter Ables now he is too high up the ladder but you never know. I'm having coffee at 2 o'clock. I'll be speaking, I've spoken to 2 people that can verify that Murphy was in the Venus Room and that they were present with me when Murphy phoned Abe and Abe phoned Morgan Ryan.

D: About the Sankey matter.

A: About the Sankey matter and was present with me when I went to Sankey's. In fact both of them went there one time with me. You see, one of the strange things, when you are dealing with these sort of people you don't have

written contracts and you don't keep notes. Like that's not ethical. Organised crime has ethics as well as corruption of ethics and use of ethics. Ah, you might not agree with them but nevertheless there are ethics. Um, I will be speaking to them today and depending on how I feel and I don't mean this disrespectfully, it's me who is going to put their necks on the block, and if you finally get to a trial of whatever it is that is going to go on, then all hell's going to break loose.

D: Are you able to tell us at this stage who those two people are?

A: One is my ex-wife, and one is my foster son. Um, I'm separated, oh, 4 years now. Like when you start getting bombs put in your cars that your wife driveswell you think I had better distance myself. Um, they were present on a number of occasions when these things were getting..taking place.

D: Why would that have been the case, that your wife and your foster son would be involved or with you at..

A: Well they were in business with me.

D: Right.

A: Like you have your family that you trust. Um, when you are handling large sums of money like I did in payments, you don't trust Saffron. The fact that he is a partner, you still don't trust him. He gives you \$20,000, \$100,000 you count it. And get somebody there with you to make sure that its checkable. When you hand it over you hand it over one to one but you have your people observing that it is handed over. Now once it is handed over and you accept it you are responsible for

it. I mean that's why Mr. Wong got murdered in Chinatown because his daughter accepted twenty million dollars worth of heroin that wasn't heroin but that was respected by the Chinese ethics, she accepted it therefore she is responsible and he was the guarantor for payment. So you don't believe what happens in Court or anything else that goes with it. That's what actually happened there. Like he was assassinated.

W: Can you tell us the name of any person who you know attended any of these sex parties that Saffron with Murphy?

A: Frank Walker on two occasions.

W: Did Frank tell you that?

A: No, some of the girls who were at it.

W: Can you tell us the names of any of the girls?

A: They used to use like you know tigerlily, different names.

W: Can you give even the names they used?

D: Would Abigail be worth speaking to in relation to it?

A: I don't know. You see the point is, um, with Abigail there's always a possibility, because she is a movie star, she thrives on publicity. Sometimes scandal is, any publicity is good publicity. Um, whether or not it might affect American contracts that are coming up is another kettle of fish.

D: Let's make it clear there won't be publicity over this in relation to her evidence, because her evidence will be heard in private.

A: It depends how you go about it. If you inform her that you are aware she attended sex parties in the company of Abe Saffron and other people, she wouldn't know how much she knew, not that I'm telling you how to do your job. There's a possibility. I know that Rita is

D: Rita Hagensfeld.

A: Yeah, was at numerous of these functions. Now whether or not

W: She's pretty dark on Saffron at the moment.

A: She's pretty dark but I doubt, I could be wrong, if she would mention the Murphys and the knights of the realm that have been involved in these functions that she was at.

W: Why is that, why is that?

A: Perhaps she's got more sense than I have.

W: Fear.

A: I think it's fear. Um, Saffron had a lot of enemies the way he attacked her in Court. Um, and I think there is an appeal anyway going on, and, but I am assuming now but I don't think she has given her barrister the full facts. But she has possibly told her barrister I'm not going to tell you about other people. Um, I think she would be honest enough for that. But I think she would be reasonably annoyed at the moment the way she was attacked publicly. Because that was shameful and it wasn't as it was put.

W: Anybody else that would be in a position to give direct evidence of that matter.

A: My foster son I can get to give evidence.

W: Has, he's attended some of these parties?

A: No, not the parties.

W: No, I'm talking about the parties at the moment.

A: He was aware in the latter stages when Tosha the torch came on the scene. He'd come up to the Bastille and the Taboo and get ladies to go down to join Abigail in his sexual romps that Abe was organising for people.

W: Would he know who was attending those parties?

A: There was a Greek girl who was very popular for a while. But having been out of the scene like you know this.....

W: I appreciate the difficulty.

A: ...Like it's a long time ago.

D: But that sort of bears on those type of parties but your foster son and your wife, ex-wife, would be able to give direct evidence of the relationship between Saffron and Murphy in terms of the fact that they did have contact whether it was by phone or personal.

A: Oh yes. Um,

W: Where would your wife have seen Murphy?

A: In the Venus Room, she served him.

W: On that one night.

- A: On that night when he came in she physically served him and she called him Jimmy Durante, which at the time I thought was, I said, ah like it was well a bit hot love because like you know when he was drinking, I haven't seen him lately, except on television walking in and out of courts, his nose used to get like Rudolph the red nose - it used to go very red when he was on the alcohol. And he was the sort of person that stood out, what I'm trying to say he had a commanding presence, sort of you know character....
- W: Have you met him yourself on occasions other than these two occasions that you have spoken of?
- A: No, these the the time he was coming out of Abe's office in Lodge 44 and the time at the Venus Room are the only 2 times I can categorically state I can remember the incidents. For whatever reason they stuck in my mind. Um, I believe he was in the Venus Room a number of times after that.
- W: How was it that you....
- A: I have vague recollections
- D: What about your wife or foster son, would they have seen him in the Venus Room at other times?
- A: I don't know, I have never asked them. Um,
- W: Or other employees. Would you be able to give us the names of anybody who might have worked at the Venus Room who would be able, would be likely to know that he was there.

A: Your going back so far. I'd have to give that one a bit of thought. You see most of the people have left the scene, they are married, they are in business and they're petrified of ever being associated with Saffron because it would and could .destroy their life. And people that tend to become possible witnesses have a terrible habit of having accidents and dropping dead or strange things happen. Suddenly they'll get arrested and loaded up. I mean everybody screamed its a frame. I mean I know so many people have been destroyed that way. I mean that was the classic way of controlling anyone who was a threat to Saffron or his associates was you would be spoken to first very nicely. If you continued to agree to disagree you started getting harassed either by councils or by police certain squads of police. If that didn't work the next thing was you'd hear they had arrived at your house, they'd bring something with them, you'd be charged and it would be very difficult like you were going to go to jail or like you were in trouble. But he could fix it if you were a good boy. If that failed and you were in business, the next thing was your business would either lose its licence or would have a mysterious fire, that was the next thing. If that failed then you had an accident or you were killed in a gangman killing or killed in a car accident. You'd have a mysterious heart attack, there wouldn't be a inquest and things like this. Now this isn't hearsay, this is actual fact that I know has gone on and it has actually physically happened to me so I'm speaking from firsthand knowledge.

W: If this was an inquiry into Saffron it would be directly relevant but we're rather more on Murphy?

A: On the Murphy side. The first time I actually physically got involved when Danney Sankey took out writs against Whitlam, Connors, Cairns and Murphy.

W: Tell us about your involvement in that exercise.

A: I'd gone to Lodge 44, it would have been on a Tuesday, Tuesday was a settling day in those days. Like you know, ah, if it was a long weekend Wednesday was a settling day and I'd take all the black money and like money would be dropped there and take up, you know bags of it. And Abe said straight out to me and said, Jim, Do you know anyone who could speak to Danney Sankey. I said yes, I can speak to Danney, I said Danney's a friend of mine I have known him for years. Oh, do you think you could speak to him on the matter of this silly business that is going on, like you know, I said what you mean is he is suing Whitlam, Murphy and company. I said Mate he is doing a good job. Because I agreed with Danny's sentiments. Um, and Danny unfortunately was a bit naive like I was earlier in the piece, where I used to think justice would prevail and he said Oh look you can do yourself a lot of good.I could do myself a lot of good. He said Lionel's asked me if we can get him to withdrew his things. And I said well I can I said what do you..

W: Your quite clear about that.

A: Oh yes.

W: He said Lionel

A: Lionel.....Lionel Murphy.

D: He didn't say Lionel and others or..

A: No,no. He just said you can do us a lot of good like Lionel's asked me. I said O.K. then. I said now I said there could be a backlash on this. I said if Danny

reports you know I'm sticking my head into your court cases. He said Oh no no. he said that's all covered you've got no problems there. I said well I'll go and see Danny. And anyway I got my foster son to drive me down to the Caprice restaurant and my wife went with me. And I hadn't seen Danny for ages. Oh hello Jim.

W: Did you call him up to tell him you were coming?

A: I phoned up to find out if he was there, then I went down.

D: What was he doing at the Caprice.

A: He was the owner.

D: He owned....

A: A part owner, I am not sure of the actual....

D: This was apart from his legal practice.

A: Yes. Danny was into Irish.wolf hounds the same as I had one of the first Irish.wolf hounds in Australia so like you know... and , ah, so I went down and my foster son sat at the bar, my wife joined the table. I said, Danny, I said look, um, I said now I have got to have a chat to you about something I said I can't tell you.who the principals are who have asked me to come to you I said it's regarding this case you've got. I said I've got no axe one way or the other. I said I have just been asked if I can put a proposition to you. Yeh, he said no problem. I said now you're under no pressure to accept or nothing. Its purely I have been asked to see if you are interested. He said, oh look, he said like you know its driving me bankrupt. I've more bloody.....I wish I had never started it and that was

the trend of the thing. I said well I said the proposition that I have got to put to you is, you drop everything, they drop everything, each party walks away and pays their own expenses and the matter is finished. He said, gees I would be quite happy to do that but what guarantee have I got that they're not going to destroy, my career in law and everything else. I said, well I'll go back and get a guarantee for you. He said, what happens if its an offer you can't refuse. He said, you know, I said I'll give you my personal guarantee nobody will lay a hand on you or your family because at that time there were threats and mumblings in that sort of sphere. I said, If you are agreeable I have got to phone someone and he will speak to you on the phone. He said, yeh, great. So I phoned Abe. I said...

D: At this stage your wife and foster son were in the room listening to that whole conversation.

A: No, my wife was sitting there. My foster son was sitting at the bar.

D: Your wife would have heard all of that.

A: Oh, yeh. Anway I got up and phoned Abe and then called Danny. My wife wasn't.. we went into Danny's ofice to phone and put Danny on the phone. Because Danny recognised like you know.....

W: He'd never to your knowledge spoken to Saffron previously.

A: Not to my knowledge. Um, whether he was aware of who he....he knew who it was on the phone. He didn't have to be told. I didn't have to tell them.

W: You were known to be an associate of Saffron's at that time.

A: For me to come up, I was obviously coming from that quarter. They had a discussion and he said OK Jim. I said well look I said I'll go back and have a meeting and i'll come back to you and I'll.

W: Do you remember what was said by Sankey to Saffron on the telephone?

A: No, no I left them talking on the phone himself. I left.....then he came back to the table. Um, I then, it would be a Tuesday or a Wednesday, um, my foster son drove me back up to take the moneys and stuff up and he sat down there and I said, Abe, like Danny's a bit concerned that if he doesn't accept the offer he's got problems. I said now I gave him a personal guarantee no physical harm comes to him. I said, now that's my guarantee. I said, now you honour it or you've got problems. Oh, there's nothing like that, Jim, everythings good. I said, Welll no accidents, I said and no more consorters and armed holdup men down there hassling at the club. Because I knew what was going on.

W: Had that happened.

A: Cause it had, but I knew what was going on.

W: Hassling where?

A: At the Caprice restaurant.

W: Police comining around.

A: Oh, they were going down there and giving the place a hard time saying it was all organised crime and.....were meeting at the thing. Like they were setting up the usual scenario to try and.....down.

D: Your belief about that was that pressure was being exerted by Saffron upon a direction of someone else.

A: No, no. I don't believe it was Saffron, that was organising the pressure on Danny. However, I believe it would have been coming from Morgan Ryan's side of the fence at that time. But I was aware right through my contact with the crook police and everything else that the Caprice, it was on notice, like you know they were letting them know like you know all the criminals and

W: What you understand your role to be in this exercise

A: I was fully aware that my role was to get Danny to the negotiating table. Now Danny agreed to the terms I put to him.

W: Was there a sort of implied threat behind the fact that you yourself were.....

A: Of course. I mean, but Danny knew me well enough, I mean I used to look after all the young Jews at the Latin Quarter. We used to all get into what we called the New York section. My wife was a waitress there at the time and a lot of the Jewish families Danny wanted to be a rock 'n roll musician. Like you know his family were the block at the time The young.....would get down there. Um, some very well known QC's practising to day were also with the

scallywags down there and they were getting up to all sorts of mischief like teenagers.... I used to have the job of making sure that no gangsters bothered them, you know like you know, sort of lay backand someone came up with the expression minder which I object to strongly. It was just one of those things that developed like you know if somebody's son or daughter was playing up down at the nightclubs, it was very very in those days, you had the Latin Quarter, Andrea's, Chequers, like you know

W: You knew Sankey from that period?

A: From that period. And I said Danny I said look you got a guarantee I said nobody's going to bother you. Now my foster son was.....now Abe I said get the coppers to drop off. I said because I know what's going on there. Even stuff that was going on that I wasn't involved in, I knew what was going on.

D: What did you know about Morgan Ryan's pull with the police?

A: It was in the latter stages that I became aware of the extent of his power with police and magistrates and judges. And Judge Foord is as guilty as hell incidently. Um, They stacked a good jury for him, with the ladies, and he came up strong and got out of it. Um, but he....

D: You had to believe that at that the pressure that was being brought to bear on Sankey's restaurant was coming from Morgan Ryan.

A: This was through talking to corrupt policeman, they had the job of going down and roughing the place up, frighten the customers off, that sort of thing. You know..

- W: You went back to Saffron and you reported to him and you had this discussion and what happened?
- A: And he said, oh, that's excellent. He said ah, just hang on a minute do you want a cup of coffee. So I had a cup of coffee. He phoned Murphy and had a conversation.
- W: How do you know he was speaking to Murphy?
- A: He told me he was phoning Murphy.
- W: Yeh, he told you he was going to phone Murphy.
- A: He said, I've got to phone Lionel. He didn't call him Murphy. He said I've got to phone Lionel and let him know. He phoned Lionel.Murphy and then he said, Yes, I'm going to.
- W: Was it a call to somebody in Sydney or Canberra,.....do you know yourself where that..
- A: Well, it wasn't that important. He just picked up the phone and phoned Lionel.
- W: He knew the telephone number?
- A: Oh, yes.
- W: He didn't have to look it up or anything?
- A: No, no he just dialed it. Um, he then said..
- W: Did he get straight through, directly through, do you remember anything about that.

A: No, just said phone Lionel which was logical. I just brought him the information that Danny was quite happy to go along with the proposal I gave him. He then phoned Lionel then said yes I'm going to let him know as soon as I hang up. He hung up..

W: Do you remember what the conversation was with Lionel, that is Saffron's end of the conversation.

A: No, I don't remember the whole conversation, but I can remember, oh that matter, that matter with Sankey is being resolved satisfactorily. I've got him to agree to the proposal. And he said, yes, yes, I'm going to contact him as soon as I hang up. He then phoned Morgan Ryan.....he asked for Morgan Ryan on the phone. He didn't ask for Lionel Murphy. He just told me he was phoning and phoned. He then phoned and asked for Morgan Ryan. morgan Ryan came on. He said, Morgan that matter appears organised, I've...He never mentioned me in this, like I didn't exist.

D: Did you know who Morgan Ryan was acting for in the Sankey prosecution.

A: I was told it was Dr Jim Cairns.

W: Was that before or after this..

A: No, no this was after the conversation.

W: Oh,.....

A: Yep, actually I could have been told that day, like he said, ah, cause when he spoke.....he said like I've just spoken to Lionel everything is there, everything is organised, it's under control, I've got everything

organised and under control. He said, ah, and then Morgan Ryan was obviously talking to him, and he said, yes he said that that's excellent. I'll be in touch. Hung the phone up. He said that's good Jim you've done yourself a great deal of good there. He said, now, he said Morgan is going to organise the meeting and he is representing Cairns at the thing. He said he also has a watching brief from Neville. I said, ah, big deal. Right. Two or three weeks went past and I said how is everything going. He said I think it is going well. And then I got curious, I had to go down to see somebody at the Caprice and I ran into Danny. I said, Oh Danny everything OK? He said, Mate, like you know he said, and this is when Danny and I had a conflict with a bit of evidence. I can understand why. Danny said, he said, Morgan Ryan set this thing up for me now I went up to the meeting he said, and I got there and the QC's and barristers and they want me to sign some sort of papers. Now that was never part of the proposal. Right. He said, he said, I'm not doing this signing these papers or doing that. He said, I'm here because this is what was put to me. I agreed to that. And Danny walked out of the meeting. I don't think Danny admitted to anybody the meeting took place. I have a reason he didn't want to confirm what he told me that he went to the meeting.

D: Did he tell you who else was there other than Morgan Ryan. He mentioned QC's and barristers, did he name them?

A: No, he just mentioned, no just QC's and barristers. He said the next time I come to one of these meetings I'll bring my own was his exact words to me. I said, well I said that's strange. I said well like you know Abe's told me nothing about that. I said I'll find out about that Danny. Anyway I went back to Abe. I said, Abe,

I said, what happened to the Sankey business. Oh, he said, he was being difficult Danny. I said, no, I have spoken to Danny wasn't difficult. Danny went there to agree to the proposal I put to him but you switched the caper. He said, oh, he said Neville wanted Morgan to abort it once he knew that everything could be handled Jim. The exercise became not necessary, because at that point in time Neville wanted to go into Federal politics and he then had the choice of Attorney-General, Treasurer or even Premier, Prime Minister, like the chairs were there. And, I said, well I said, that puts me in a nasty position. I said, I gave that man guarantees and I said and, he said, oh, he said, Morgan had to do it he said because Neville -once Neville knew and passed it onhe could control this Sankey business. Apparently, that was the purpose of the exercise. Now I don't believe that Saffron would have known what the politically manoeuvring that was going on. It was something that Murphy, an associate of his and Morgan Ryan got involved but I don't think at any stage was Morgan Ryan and Murphy aware that I was the one who was actually setting everything.....

A: Do you remember what the last sentence was?

W: Dealing with the Danny Sankey matter, the final conversation you had with.....

A: He said

A: Do you remember what the last sentence was?

W: Dealing with the Danny Sankey matter, the final conversation that you had with with Abe.

A: He said, oh he said everything has worked out satisfactory but Neville wanted Morgan to abort the agreement, it suits his political aspirations at this

point in time. You know, once he knew that Danny was prepared to deal it changed the whole complexion of the proposition I had put to Danny. Anyway Danny told me he had spoken to his lawyer, or his QC and he had advised him not to go to the meeting. But I know Danny went to the meeting. But I think Neal Mercier and possibly Wendy Bacon and people like that did investigate that side of it and it confirmed everything of what I said did actually take place.

D: Did you see Sankey after that, or have you seen him since?

A: I have.

D: Recently.

A: Yes. Before I left for Manilla last time.

W: Did you discuss this incident with him.

A: Could you switch that off a moment.

W: Now was there any other matter that related to the attempt to get Sankey to withdraw the prosecution against the judge. Anything else that you can tell us about that that might be relevant?

A: Well, after I questioned Saffron about what had gone wrong with the meeting, he had informed me that Neville had wanted Morgan to abort....

W: We've got all that.

A: Right.

W: You saw Sankey and we've got that conversation as well. Anything else that happened after that or did the matter just disappear?

A: Not that I can recall just now. But the matter seemed to lie at rest then. I have run into Danny Sankey casually in the afternoon in a coffee shop or.....to say hello, we are still friends. But you know I think Danny's attitude is let sleeping dogs lie. Like you know he's had enough trouble out of it. I have always been of the opinion that..

W: Did you yourself ever speak to the judge in relation to that incident?

A: No. I, Saffron was the break between Murphy and Ryan and me.

D: You said before you weren't aware the judge or even Morgan Ryan was aware that you were involved at all.

A: I was actually the one who was doing the thing Abe was always very careful to make sure when things were right he got the credit - when things didn't go well, it was some of his staff being stupid. Like he took the credits and passed the blame.

W: So you did not speak to the judge on the telephone on any of those occasions.

A: No, I was there when the conversations were taking place, my foster son was sitting with me. Um, and that is not unusual because when you're carrying, you know, \$50-\$100,000 cash people do run into the officers, and in those days we were all carrying guns and all legal, licensed, and everything else.

W: Can you tell us what other contacts, if any, you yourself have had with the judge apart from the three matters that you have told us about, you told us about the Venus Room, the meeting at Lodge 44 and the...

A: The only, the other times the judge and Morgan Ryan and Saffron seemed to come together was when he was having trouble at the airport I was involved, I had a game fishing fleet in Fiji, I was getting involved in a development called Nitasie Club, Club Nitasie, Fiji, and then I became aware that Errol Fifer was there, Abe's accountant and that Neville Biber and Vic Bogan were going to buy shares in a company that I owned three-fifths of.....which meant there was no way I was going to finish up with three-fifths of anything, so I aborted that whole scene. And Abe was having trouble at the airport and he was most upset if, had he, getting searched and all sort of stuff. You, you know, he said I have been very lax in my federal, in the federal sphere. He said but I am taking steps to rectify that. I said what steps can you take to rectify because I am getting a hassle because I am in business with you as well. But he said, oh, he said, ah, I have spoken to Morgan and Lionel and they are going to take steps to rectify it. I said well let me know if it works and you can do the same for me. Like you know, sort of..

W: You are quite clear that he said he had spoken to Morgan and Lionel.

A: Morgan and Lionel.

W: Where did that conversation take place do you remember?

A: That conversation would have been at the Lodge again.

W: Have you been getting searched as you went out of the country?

A: Oh, yeh. I've been getting searched for 25 years. Like you know I'm the worst person in the world because I'm blind drunk when I'm coming through.....I got a shocking headache because I don't drink and I get most irate because they never find nothing and they carry on like a bunch of wombats, they think they have the great master criminal coming in again.

W: Did anything happen as a result of that, did they stop searching you after that..

A: No, no. I kept getting searched but Abe got through Morgan and Lionel, got them to stop searching them which, you know which, I find it incredible, at the time I said, he said no, like you know he said, If you know what you're doing Jim, he said, You can take care of most problems.

D: So did you find out the searching of Saffron did desist at least to some degree?

A: Oh, there was a lot of people who got their fingers rapped for giving some of them such a hard time. Um, I can remember there was a bit of a..

W: Did Saffron tell you he had actually telephoned the judge.

A: Oh, yes. He said he had spoken to Morgan and Lionel and they were going to take care of the matter and then there was a couple of mentions I don't know whether it was in the papers.....I said, oh, I said, How did you go with that business. He said, Oh yes, he said, I'm

not having any problems at all. Can you get the same done for me. I said, It's bloody embarrassing. Oh no, he said, You use your lolly he why don't you get Malcolm to do it, he said I'll tell you how to go about and everything else. Like you know.

W: Who was Malcolm?

A: Malcolm was my solicitor, Malcolm Jones. He said, If you get to Malcolm and ask Malcolm to speak to me he said it will cost you a drink which is expected to cost you like \$2-\$5-\$10,000 to have that done. I said, Oh stuff it, they can search me,..Like you know. I never actually went on with that and I still get searched.

D: Tell me, do you know a person called Raymond Sala, or do you know of that person?

A: Sala, I think he was what we call a, I'm not sure. I'll have to do a bit of backtracking for you. I am nearly sure he was bag man. What I mean about a bag man..

W: Saffron.

A: Yeh, Oh well Saffron and others. A bag man doesn't specifically work with anyone person. I've been a bag man for years. He's basically a courier. Ah, legal, you carry large sums of money - foreign currency, normally..

W: Out of Australia.

A: Out of Australia and into Australia which is quite legal.

D: What about drugs?

A: Some would carry drugs but truly a bag man would not physically carry drugs, he has mules on the plane that carry for him. He would carry money which would be used to bail people out or get legal, if something went wrong. That's how that works. But I've carried millions and millions of dollars from Australia all around the world for people.

W: Can we go back to the customs incident the business of Saffron getting himself downgraded in customs.

A: I don't know how he went about it but I know they actually stopped searching him altogether. He didn't even get a normal search. Like you know they take one in a hundred...

W: Did he ever boast about that again, later, or..

A: Oh, yeh, like you know oh, there's a number of occasions, like I'd come by I said, Jesus Christ, they're giving me a hard time with this bloody airport. Why didn't you follow up what I told you to do. I said, Ah, I said, Mate, I said, I will after. I'll get on to that. But I never bothered for other reasons, like better I was getting a hard time anyway. I left the matter in abeyance. I spoke to somebody in a very high position. Um, he said, well I can get you taken straight off, but he said, it looks better that you're getting hassled and you are having blues at the airport, he said, Like you know with your M.O.....sort of thing. I said, Oh lovely, my wife has never been impressed with it though. And, ah, that's what travellers put up with, a hard time at the airports. But, um... There were a couple of occasions like you know, it

W: Did Saffron ever suggest that money had been paid to Morgan Ryan or

A: Oh no. There was obviously money paid because he told me there would be a drink involved. Now a drink meant like Jackson's lottery tickets, whatever it was he used for his ten....one thing would have been \$10,000. You have pre-arranged things when you talk about drinks or lottery tickets.

W: Well, do you know what a drink would have meant?

A: Cash.

W: What amount of cash?

A: No, well he would have then told me had I proceeded with it.

W: What amount.

A: What amount, like you know, knowing him, like you know, he would have taken like 75% of it anyway and passed on 25%. Because that's eventually what blew everything up with the Bill Allen incident.

W: Can we stop that for a moment.

W: We are back on tape at the moment. Mr Anderson, I wonder whether there are any other matters at all that you can give us any information about which relate to conduct of the judge and the question of whether he is fit to be a judge.

A: There are other matters that I'd have to give some consideration to and research that I believe could apply

to him not being a fit and proper person to be in the High Court. But I couldn't enlarge on that at this point in time.

W: At this time. Will you give that some consideration and be in touch with us if you feel that you are able to assist in that regard.

A: What I'll do is, um, I'll be speaking to a number of people now that I'm here. I have to keep moving, unfortunately till the 29th September.

W: Will you still be here over the weekend and still here on Monday?

A: I'll stay here until, well we've exhausted what I can at this point in time to accomodate and facilitate your inquiry.

W: It seems to us that it would useful if you were to speak to whatever people you can over this weekend.

A: Will do.

W: And perhaps come back and see us again on Monday and at that stage give us any further information that you can once you have sorted that out with these other people.

A: Hmm.

W: You know now what it is that we are looking for, you know what our terms of reference are that they are absolutely unlimited in reference to any.

A: I wonder if I could have a copy of that.

W: Of the Act.

A: Of the Act.

W: Yes.

A: What you operate under.

W: Yes.

A: Not that I distrust you.

W: No.

A: Like you know.

W: I'll just point out to you the main section, which is section 5 and it says 'that the Commission shall in accordance with this section inquire and advise the Parliament of any conduct of the Honourable Lionel Keith Murphy has been such as to amount in its opinion to proved misbehaviour within the meaning of section 72 of the Constitution'. That is the only term of reference that we have, we are not limited by that section to anything other than what the section says.

D: It says, any conduct.

W: Any conduct.

A: Any conduct.

W: That's right.

W: Now we will give you a photocopy of that page, I don't think you need the rest of the Act.

A: No, no. It's just as long as I know where you are coming from. I'm not worried about your Royal Commission, don't get the wrong idea. I'm worried because I've seen what has happened to other Royal Commissions. They are usually strict about terms of reference for a start. Um, if it is something that gets out of control, a Royal Commission can only get out of control if you come up with a live one. And apparently that's what I'm classed as, as a live one. If I give evidence a lot of other people are liable to follow and get a bit of dutch courage. Unfortunately, I didn't choose the front runner. But I don't want to destroy what I have been doing for 25 years because of your Royal Commission. And I mean that with respect.

W: We understand your position. We also understand this commission is more limited in one sense in perhaps what you would have wanted, we are interested only in the conduct of the judge and we are not interested in other matters. Whatever is relevant to the conduct of the judge, of course, may give rise to other matters.

A: That, that is what concerns me slightly.

W: Yes.

A: His conduct is very suspect and in lots of areas..some that I can only suspect. When I suspect something, um, like you know is a fact, proving it is another kettle of fish. Now sometimes it is better that you don't remember because you can't prove it at that point in time. I mean I know who killed Juenita Nelson, like 10 days after it happened. But I couldn't prove it. Other people are aware that I've alwaysput it together but unless I can get the corroborating statements from other people that can lock it in and a good

criminal lawyer can put it together to a jury that they know that's what went down, it's a wasted exercise 'cause you are only pre-empting it. If you wait another year, two years, ah

W: Well, there's never going to be another inquiry into this judge. This is the one and the all. It will be the one only and in that sense that's why we are looking at everything, and we are investigating everything that has been brought to our attention. so if there is any other material that you can, you feel, properly draw to our attention and assist us with including the names of any witnesses that might be, willing to come forward after you have satisfied yourself that it is right for you to mention their names that we would want to hear that from you if you can.

A: Well, I shall, I'm rather limited in my movements although by now people will know I am back in town. I actually had to have a meeting with Mr John Dowd last night and repeat the Wentworth Hotel unfortunately and the magistrates were having, would you believe it

W: Would you want to meet somewhere else other than here on Monday. Would you feel more comfortable meeting somewhere else?

A: It is better, anything I have to do here is as far away from what you are actually doing at the moment. I'm more comfortable with Saffron being under the impression which means Murphy is under the impression and Ryan's under the impression that I am here to give Saffron this document.

W: Yes.

A: You are obviously a very smart attorney. If you were defending Saffron that's vital that you have it to prepare your defence. Now, I don't know how legal that is, um, I don't run, I'm not under the same constraints as law enforcement agencies. I'm asked to find out something, I find it out. I don't tell them how I find it out. Hypothetically I tell them how I find it out because I can't embarrass them, 'cause I do things that the law doesn't allow you to do. And that's where the law is an ass. You cannot fight organised crime and I mean that in the broadest sense, corruption, political, people go into organised crime not for money, for power, for egos, there's a million reasons to go in for it. And your legal system is self-defeating, because you are actually helping the criminal. All I do is I get the information, pass it on to whoever I pass it on to, now what they do with it is their affair. At times I feel very cross frustrated thinking, Jesus, like you know is nothing ever going to change. But eventually it does change and I don't want to jeopardise that sort of position I am in. So, as long as Saffron is aware, and he will be aware 'cause I had a meeting with his representative yesterday in the City not too far from here as a matter of fact, and this is what he wants I had to come back.

D: Alright, I am not sure which document you mean, your statement?

A: The statement that the QC's are desperate to see. Um, I have already stated that under oath that I will not enlarge on it. Basically, it's not a lie, at that point in time I wouldn't enlarge on it.

W: Yes.

- A: But to get what is required to stop the Saffrons and my way is the only way I can get the information for the honest people to get on with the job. In other words we make strange bedfellows.
- W: Well, whichever way we're moving can we come back to the judge just for a minute or two. Are there any other matters that you feel you can tell us about today without having to go to other people.
- A: Not really. This is the trouble.
- W: There is a good deal more you think that you might be able to tell us.
- A: Oh, yes, yes there is.
- W: Including direct evidence of the judge's involvement in the Saffron connection.
- A: And the Morgan Ryan connection.
- D: The Sankey matter.
- A: The Sankey matter. His meeting in the Venus Room, ah, seen him coming from Lodge 44, present when telephone conversations, I was there when Murphy phoned Abe on one occasion.
- W: Where was that?
- A: In Lodge 44. Now that's not as strange as it may seem. Abe knew when I would be there. Now, if there were something I was doing to assist in the Morgan Ryan, Merv Woods, ah, Frank Walker, the Minister of Police, oh what do you call him, Peter Anderson, no relation by the

way that one, his association with Bill Allen was on with his mother, Katie, who is the real power. He was a lousy minister and was a lousy prosecutor of police but they knew what time I would be at that office. So any calls that were coming in that, anything that I was doing in relationship to certain people they would phone at this specific time when Abe would say, well look I'll have the person with me. I don't think he ever used my name - he may have done, but knowing the man he did everything himself but the likes of me Neville Biber who was on the heroin scene and different people that, you know, doing different things and we'd all have specific times to be there. And I always used to stipulate I'll be there between 2 and 2.30 because after that you have a procession of well known people arriving but I particularly didn't want..

W: What did that conversation consist of, the one that Murphy rang Saffron about.

A: To find out how the business of approaching Sankey was going.

W: That was another conversation other than the one you..

A: Yes.

W: you've already told us about.

A: Yep. There was a one occasion when he phoned Saffron. Saffron said that he was, the one he thought... was that he was working on it, like but, it was looking promising.

W: Can you tell us the details about that conversation, as best as you can recollect what was said.

A: I was sitting or counting out the moneys, my foster son was with me, and I said like you give me the money for that place, that place, this was dropped off by so and so, there'd be money from another venture or it would be like the Cessna/Milner case that would be Morgan Ryan, Murphy, because when something big had to be fixed the kindest way of putting it, Murphy according to Saffron was a sort of consultant who would advise them which way to go. Morgan Ryan would, ah, the political one, the one that would fix things up with Farquhar and the other magistrates to make sure cases were done the proper way. Like the Cessna/Milner thing. The witness is in Manila at the moment approached me there then like offered me a \$100,000. I said I don't help druggies mate. He said, oh, he's related to Abe. I said, Well, I'll pass it on and get back to you. I told Abe. Abe said, Oh, yes, oh yes I have heard about that. Give him my home number tell him to call me. I then asked for A couple of months later I said, How did I go. Now, if I had been offered a \$100,000 but I don't want my piece of the action there is something suspect because you are all supposed to be greedy for your money. And I said, like, How's it going. He said, Oh, no problems. I spoke to Merv, that's fine Merv Woods, like he said, Morgan's taking the case and he's spoken to Murray, he is going to sit on the case himself. I said, Oh, I said, Well everything's OK. He said, Yes, everything's under control. Then when things went down, they went down exactly....

W: But again that doesn't directly involve....

A: Yes, but it's...you see, like, you've got other people who might pop up with something that I've told you and you can cross-check and do that. They were a team. They were a board of directors of organised crime in their own areas.

W: Can you tell us the names of any persons who might be able to prove a close association between the judge and Morgan Ryan. That is, they saw each other regularly or seen in each others company throughtout the latter part of the 1970's or... Any good mates of Ryan for example?

A: Ladies, like the parties is the thing, because they're usually the same ladies that appeared at the same parties. Like you know some were good at certain, some had certain attributes that..

W: These are the parties you told us about earlier.

A: These are the sort of sexual parties.

D: Morgan Ryan had the same sort of taste.

A: He had the same sort of taste and...oh, I like this girl, like you know people like that.

W: Can you endeavour to find out whether any of those persons will speak to us over the weekend.

A: John Chirodi is another one he could fill you in on..

W: Who's that?

A: John Chirodi.

W: John Chirodi.

A: He's one of the Hungarian mafia. He's Abe's man so you are not going to get a squeak out of him.

W: Yes.

A: He's also the Honorary Consul for the Seychelles Islands. Um, you see most of the people that can confirm it are all still actively involved. This is your problem. Ah, I don't know how many other people you have spoken to. I don't think there would be too many like me that is going to come up and say well this is it. I can give you two witnesses guaranteed when I speak to them tonight. I'll have to speak to some people....

W: This is people other than your wife and foster son?

A: No, my wife and foster son are definite. If I tell them to come in and speak I'll come in with them. Because, it's just that they are very nervous.

W: Perhaps we could see them on Monday, would that be, ah.

A: I'll find out what they're doing. Because my wife runs a chain of nail companies. And the trouble is, if this thing goes public, like you know there is a certain amount of notoriety goes through and suddenly reactivate, like you know, the monster, and all that sort of business. It doesn't really affect me it actually helps me in my other area, but, um, it's a bit hard on your family and children because they say he's back in town sort of thing. Um, I'll have to speak to some people in some sensitive areas, I don't know if you have spoken to them, I don't know if they even want to speak to you because they are still active in certain areas. They can possibly confirm some of the stuff I'm telling you from years ago. So it's not just sort of..

W: Can we leave it at this stage and ask you to telephone us on Monday morning, perhaps at about 11 o'clock and come back and we can then make arrangements to see, and follow up on some of these things that.....

A: When I'm finished with you, like I'm anticipating that I'll probably have to be brought back at some stage or other.

W: Yes.

A: Now, what I could...(tape switched off).

Anderson ②

13th July, 1986 at 5.30 pm.

CONFERENCE WITH MR JAMES MCCARTNEY ANDERSON (SEPARATED) AND HIS FOSTER SON.

W: Now, we are just in the process of sorting out precisely what it is that Mr Anderson has asked us to hold off doing for the next three to four weeks and as we understand the situation we are at liberty to draw any allegation which involves an association between Mr Justice Murphy and Abe Saffron provided that that allegation does not go beyond anything which Mr Anderson has previously said to bodies like the New South Wales Commission into Prostitution where he disclosed that Mr Justice Murphy was ostensibly a silent partner of Saffrons in the Venus Room at one time. We can make that allegation even at this time. We can further make the allegation about the involvement of Mr Anderson as an intermediary in settling the Sankey matter. That's material that has been in the public domain previously, that won't embarrass Mr Anderson.. Yes, now, Mr Anderson you were going to give us some additional material today. Anything that you tell us beyond that material that we have just spoken about we will not make an allegation for the period you have asked us to, and we understand why you have asked us to do that. Do you want to place on tape what your reason is for asking us, ah....

A: The reason I.(coffee break)

W: Mr Anderson can you tell us why it is that you want us to hold off for about three to four weeks from making any allegations other than those you previously placed on the so called public record.

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etc

A: Well, ah, the last person I spoke to, visited before I left Australia, um, with the knowledge of the NCA and Federal Authorities I did not intend coming back here until round about the 27th of September for Saffron's trial. Um, During my absence your Commission was formed but I spoke to a gentleman called Adrian Kay who had been a friend of the family for years. He was a nice scallywag - he was a car dealer and you put them in the same category as politicians, secondhand car dealers. He informed me that he was looking at an attempted murder charge which he had nothing to do with he just happened to be driving a car and giving some people a lift when the shooting occurred over who was going to sit in the front seat of it, which is what it was all about. This involves certain people involved in drugs, counterfeiting, ah, I don't know what you would call overthrowing Governments, there's probably a word for that. The foreign Government, as mentioned there. Um, he agreed to testify.

W: To testify in relation to....

A: To Saffron.

W: At Saffron's next hearing?

A: Next hearing - Murphy, Morgan Ryan, Merv Wood, the Cessna Milner thing that Farquhar was involved with, um, and his last case before he left the bench which involved Morgan Ryan, Abe, Merv Wood, those sort of people. I said, Well, if you want to do that as soon as everything is cool I'm nearly sure that the NCA will grant you full immunity and you will be protected, which is good enough. I then left. Four days before he got murdered I think he visited my foster son at Long Bay's Training Centre where he still was at the time, and

informed him that he was going to back his old man was the expression. Like, he'd testify because he'd had a gut full of bent coppers and politicians. It was getting very hard, like you know, to even earn a living the way the way they were carrying on. Unfortunately, he did make this known to certain people to make certain things happen. The ensuring result was that he was murdered in his own hotel in Kings Cross. This makes it very, very dangerous for anybody else, if it becomes public knowledge too soon. One of my concerns is if this information is held back that my son's testified with my wife, then the odds are if you're a bookie you wouldn't accept them, that my son will get a present - he will either be loaded up with cocaine which would be the logical thing to give him, ah, because they haven't got much imagination or else he'd be killed the same as Adrian Kay. That is, without dramatising it a distinct possibility. Um, I'm not naive enough to think that if somebody really wants to kill you they're going to kill you, but it's very difficult to murder or terminate anyone who knows that he is being attacked and he knows the rules of the game. Your biggest danger is getting a drug addict who has been offered half a pound of heroin to murder me because they'll do it.

W: What you are saying is to the earliest date you would be in a position, or your son would be in a position to give evidence before a Parliamentary Inquiry.

A: He will give evidence along with me when you subpoena us.

W: You want to be subpoenaed to give evidence.

A: Yeh. I'll be out of the country, ah, I'll possibly be in a country where there is no extradition. But I will put you in possession of the people that you contact. You let me know you want me and I will arrange it that I will be brought back.

W: You will arrange to be in a place where we can serve process on you.

A: Yes.

D: You'll come back so we can serve you in Australia.

A: No, no. I won't be in Australia to be served.

D: No, no. Say, if we want you on a certain date would you come back so we can actually serve you

A: How about calling the Australian Embassy, without going into too much detail. Ah, there's certain people can reach me.

W: We don't want to be in a position of getting into difficulties with overseas countries.

A: I have already discussed that on Friday. Manila could be a bit tropical because of the extradition things and other things that are going on.

W: Would you go back to New Zealand, do you think?

A: I have agreed to either go to Honolulu or New Zealand.

W: I think New Zealand would be a lot..

A: New Zealand would be a lot closer. You see my ticket, right, that you

W: You'd need to concern yourself about fares and things like that. If you can find your way to New Zealand..

A: I will.

- W: At the time that we want that would be convenient to us.
- A: I will be sitting there. But I will be technically ill. I don't them too worried until I an in the box. Right. Because until I open my mouth, there's still a doubt I'm running..... So, I will make my way back, 'cause my ticket goes from here to Manila, Manila, Honolulu, Los Angeles, back to Honolulu, Auckland, Sydney. Now I use that so if you understand it might be difficult for your accountants. Having that ticket is what a smart organised crime leader would do. It leaves me an open door from Manila for Hong Kong and all places west. Honolulu and Los Angeles is because the Canadian bit into Europe.
- W: All that we are interested in is that you continue to keep in touch with us, perhaps every few days if you ring in on a reverse charges and let us know where you are so that we can liase with you and arrange for you to be available to be called before our Commission. At this stage its the 13th or so of July today - we wouldn't anticipate you being called before about the middle of August, about a month down the track.
- A: Well, that is pretty good. Because if you haven't settled by them, they intend tokill me. I know that sounds a bit.....
- W: When you say settled can you place on tape what you mean by settled?
- A: Abe Saffron burned me out of a club called the creole in Double Bay on which I have been paying the rent \$3,000 a month for a couple of years by cheque and my General

Manager, a gentleman called Lionel Osborne paid these bills. I then received a bill from from Abe from Simon and Baffskey for the transferring of the lease which I paid through my General Manager by cheque.

Mrs A: What was that area you said of the area of the creole?

A: Was it Double Bay, oh no, Bondi, sorry. Where was I. No, Abe was then asked for \$250 to break the 10-year lease from Saffron's partner who owned the property. He took it over when his father died - ah, John Senes. Because they had a development application in front of the mayor at that time Paine? and his building inspectors. This is, like you know, to break the lease, I challenged Saffron about this a lot.

W: You claim that he owes you a certain amount of money?

A: He claimed....I claim he owes me \$160,000 which was rent, staff while I was working in the New Zealand Club.

W: Have you received an approach in the last few days in Australia?

A: I received an approach before I left, two, three months ago.

W: What was the nature of that approach?

A: That we had finally settled on \$320,000. He offered me \$160,000. I said, No, I am entitled to bank interest, we are all businessmen. Finally that was agreed after a great deal of huffing and puffing. He then, I then received two subpoenas - one to appear on th 29th September at Saffron's trial and one to appear before

the National Crime Authority. I made them aware of it. It was difficult not to, because they served it to me in front of someone that was negotiating. Ah, they then said, Oh, look hang fire all bets are off.

W: The National Crimes Authority has agreed has it to hold off calling you till you have given evidence before our Commission of Inquiry?

A: Um, they, they then said, Look he wants a sign of goodwill, good faith, he'll pay you \$25,000 if you do the right thing at the National Crime hearing. So I had to go there with a lawyer so that it could be transferred back and everything else which I did. I was to received \$25,000. Instead I received \$2,000 on the way to the airport. I received a further \$2,000 by courier while I was in Manila. Um, my wife received another \$2,000. Then my wife received \$6,000 before she came down to see me in Manila - I am not sure of the actual dates, a month ago or something like that. They then wanted a copy of the statement that the National Crime Authority wanted me to enlarge on, which I think I gave you a copy of.

W: You did, yes. That's an unsigned statement.

A: That's the unsigned statement, the National Crime has the signed one's.

W: Yes.

A: Um, they wanted to see this. I then had to return where the truth is stranger than fiction I had already been contacted that you wanted me. So I said, Well look, I'll come back and get a bit closer. I can't do nothing in Manilla because you coming there everybody will be watching you. There'll be nothing sort of

secret. But I used the excuse that he wanted to see this statement but I was only guessing who could get it out of the safety deposit box to cover the reason for my trip back to see you.

W: Yes.

A: When I arrived back they gave me another \$3,000 and I showed the negotiators the statement.

W: Are you prepared to tell us who his negotiators are?

A: Not at this point in time, no. Um, the National Crime Authority are in the same position.

W: They don't know.

A: Ah, I wouldn't say they don't know. They probably have a good educated guess.

W: Yes.

A: But I'm not prepared to name them because they're being used because Saffron and the Murphy connection are convinced that there's no way I would give them up as the expression goes. Which I won't. But I can organise it in such a way that it can all be corroborated and presented. I am now waiting to pick up another \$10,000 but they want me to sign a disclaimer or denial of that statement,

W: Of the contents of that statement?

A: Of the contents of that statement, that I will be doing. But I have already informed the other people so they know what is going on.

W: From the National Crimes Authority, so that is what you propose to do?

A: That is what I propose to do. I am at the moment I am just working on finalisation on the \$320,000.

W: Can I ask you this, has anyone approached you in the last few days that you have been in Australia with a view to buying you off speaking to our Inquiry. I'm not speaking about the National Crimes Authority. I'm talking about the Parliamentary Commission of Inquiry.

A: Yes

W: And you were offered a sum of money?

A: No. I was offered ah the good officers of Mr Lionel Murphy the High Court Judge convincing Saffron to settle with me as fast as possible so I could leave the country.

W: Can you tell us who made that offer.

A: Not at this point in time.

W: Is there a reason why you can't give us the name of that intermediary.

A: There is at this point in time, but, ah, in the event that if anything happened to me physically there is someone that can tell you who it was.

W: Could you tell us who that is?

A: The National Crimes Authority.

W: They are aware of the person who has made that offer on behalf of Mr Justice Murphy?

A: Yes.

W: In other words somebody came to you and said he was representing Mr Justice Murphy...

A: No, no that wasn't what was done. This was a person who was handling negotiations on my behalf as their intermediary for \$320,000. Um, there was a question had to be put to me, Would you help Murphy? I said, I couldn't give a stuff about Lionel Murphy one way or the other. I think he's finished anyway. He don't need by assistance to finish it off. But, um, it was indicated that they would prefer me not to give any statements or any assistance to your Inquiry.

W: Yes.

A: And, ah, if, ah, what the actual words were used, if Murphy, if they can Murphy to lean on. Abe to get the settlement through fast would I be prepared not to, ah, assist your Royal Commission.

W: What did you say to that.

A: I said certainly.

W: When did this take place.

A: Oh, in the last 7 days.

W: Can you be more specific? Tell us which day?

A: What day did you drive me to that meeting, Grant?

?: Wednesday.

A: Wednesday, it would have to be Wednesday because Thursday I was supposed to have the meeting but it got.....and it was before that, Wednesday. Yes.

W: Can you tell us whether anyone was present when that ...

A: No, there was only myself and the other person.

W: And is that person somebody who you know to be an associate of Mr Justice Murphy's.

A: No. This person is not an associate of Mr. Justice Murphy's and he is not an associate of Abe Saffron.

W: He is not an associate of either.

A: No.

W: Right. OK. So the situation is, just to sum it up, you are not unhappy if we go ahead and make an allegation in the very near future based on what you have previously told the New South Wales Commission Inquiry into Prostitution?

A: That's correct.

W: Or based on what you said at your bankruptcy hearing? This is all on the public record. Any allegations that emerge from those matters can be made, and can be made this week?

W: And we simply do not indicate and do not disclose we are planning to call you. We make no allegations broader than those allegations at this stage. Now, there's complete agreement about that.

A: Complete agreement about that.

D: Do you agree that also includes the Sankey matter.

W: What you have said about the Judge's involvement in the Sankey..

A: That is also a matter of public record.

W: And, that is included that you have no objection at all to that allegation?

A: No objection at all.

W: Can we now get on to the additional material that you are going to tell us to day and give us today. Um, last time..... Before we get on to any new material you told us last time that your wife would be in a position to confirm some of the matters that you told us about last time involving the Venus Room and matters of that kind.

A: Yes.

W: I wonder whether we could get from her this time her recollection of the Judge's association with Abe Saffron. Ah, Mrs Anderson are you happy to...

A: Do you want to sit close to the machine. I'll change places with you.

W: Perhaps that may be useful.

W: Mrs Anderson, you are thoroughly acquainted with Abe Saffron I take it?

Mrs A: Yes, yes.

W: You have known him for a long time?

Mrs A: Yes.

W: And, ah, you also have met, have you, Mr Justice Murphy at some stage or some time.

Mrs A: Yes. I did meet him but at that time I didn't know it was Justice Murphy.

W: Where was it you first met him.

Mrs A: I met him in the Venus Room in Orwill Street.

W: You met him at the Venus Room in Orwill Street. Could you tell us approximately when that would have been?

Mrs A: A long time ago. I couldn't give you dates or times. It would have been at least eight, ten years ago, when we were operating the Venus Room, when I was in the Venus Room with my husband.

W: What role did you play in the Venus Room?

Mrs A: Well, I played the role of, at certain times of being behind the bar or on the cash register, or if there were people coming down that were respectable people which wasn't very often in the Venus room.

W: Could you just elaborate on that?

Mrs A: Well, I don't know whether you know the Venus Room.

W: No, I don't.

Mrs A: Well, I'm not very proud actually of the association either, but I was there on the cash register and when people came down, when Abe Saffron came down with particular people you know that were to come and have a talk Jim used to say to me you know, make sure that they were not bothered by the yahoos and whatnot and usually indicated I had to serve them or make sure one of the reasonable or respectable waitresses would serve them rather than the normal run of the mill waitresses who were a little bit riske to say the least and the particular person you are talking about now Mr Lionel Murphy, Jim and I were on the verge of separation then. Jim wasn't very happy about my sense of humour in certain cases and he made me aware that Mr Saffron would be coming in with who I had forgotten he had mentioned his name as being Mr Lionel Murphy, but anyway Senator he said, a big man, to make me aware to make sure that nobody bothered him and I got that look off James that meant behave yourself. The only thing that I can remember about this man was that when I served him he reminded me of Jimmy Durante and I.

W. Who did he come in with?

Mrs.A: With a very good looking Asian lady, and Mr Saffron was there.

W. Did you know that Asian lady at all?

Mrs.A: Well I didn't then either.

W. Do you know her now.

Mrs A: Yes I do. She was Juni Morosi

W. She is Juni Morosi?

Mrs A: Yes.

W. And he came in with Mr Saffron.

Mrs A: Yes. The three of them came in with Mr Saffron.

W. When you say the three came in, you mean together. They came in simultaneously?

Mrs A: Yes. Juni Morosi and Mr Murphy and Abe Saffron came in together. Jim was already there in the club and had already told me they were coming down. A table had been indicated that they would sit at and it was all planned. They sat down.

W. Was that a special table?

Mrs A: No. It was in two rows the Venus Room and the bar was one row which the main yahoos and yabos they got drunk and they transferred to where they could sit down at a table. There was one particular table at the back of the Venus Room where meetings and things went on and that's where they sat. That was close to the bar.

W. Do you know whether it was over the weekend or during the week that this occurred.

Mrs A: It was fairly busy. I would say it was towards the weekend.

W. And was it in the evening?

Mrs A: Yes.

W. Was it late at night?

Mrs A: Mr Saffron when he came in never really came in really late. Usually about nine-ish.

W. What happened when the three of them came in together?

Mrs A: The normal thing. Mutter mutter.

W. Did you take them to a table?

Mrs A. No they sat down at a table where Abe Saffron always used to sit with people anyway.

W. A special table which was kept for him was it?.

Mrs A: No, not particularly kept for him. Anybody that was within the club. It was very rarely occupied. The people in there just knew they would be asked to move if anyone came in so it was usually for the staff.

W. Had you seen Lionel Murphy's picture in the newspaper. Did you know who he was prior to that night?

Mrs A: No, I'm not very much into newspapers.

W. Were you told by your husband who the man was?

Mrs A: He told me earlier who it was, but during the course of the evening I had forgotten who he'd said it was. A senator was coming down - an important person, with Abe. That he would be sitting there. The only recollection I have of him then. Since then I've known who it is - papers, newspapers and television and all the things that are going on - a lot longer ago than this. He just reminded me of Jimmy Durante. He's got an awful big nose.

W. How long were the three of them together?

Mrs A: It's a long time ago. Could have been an hour.

W. Did they have a meal?

Mrs A: No. You don't eat in the Venus Room. You are supposed to but you never did.

W. Did they have some drinks together?

Mrs A: Yes. I served them the first round of drinks.

W. You remember serving the first round of drinks?.

Mrs A: Yes. I took the drinks. I can't remember what they had.

W. Did you talk to them at all?

Mrs A: No, I just said good evening. I mean I'd had that look from Jim. You know Jim protected me in so far as meetings were concerned.

W. Did this occur shortly after Jim took over management of the Venus Room or was it a long time after that?.

Mrs A: He'd run the Venus room for a while. You see I used to do the paper work at first in the office for Abe when he first took it over and then we altered it didn't we? The office had gone. There was no office there then. There was just a bar and restaurant. I stayed on the cash. We had had it a while because the alterations had taken place.

W. Did you form an impression as to whether Saffron and Lionel Murphy knew each other prior to that evening?

Mrs A: I just assumed they did. I mean Abe Saffron is a very quiet spoken and what I recall shifty sort of talking man. He appeared with this particular man as he did with any other type that he was sitting with.

W. Can you describe what you mean by that?

Mrs A: Well. When there was ever a business meeting going on Jim would make me aware that if there were any yahoos we would guide them away so it was obviously very private.

W. You gained the impression that this was a business meeting rather than a social gathering did you, or didn't you know.

Mrs A: I didn't know.

W. OK.

Mrs A: If I'd gone too close I would have got told off.

W. So what happened at the end. They just finished their drinks?

Mrs A: Yes. They just dispersed. I think Jim shook the guys hand that was with Abe and muttered something into Abe's ear which they normally did and I assumed that would be about business and I at that stage I kept my eye on the things going on between James and Junie Morosi. Jim's always had an eye for a nice lady and that was just a normal thing that happened.

D. Did the three of them leave together?

Mrs A: Yes.

W. You remember that?

Mrs A: Yes.

W. Did you see whether they went out into a car together or anything like that?

Mrs A: No. The entrance of the Venus Room door is just right by going out through a door and once they had left. Unless I had gone out through the door and watched one could not see from the Venus Room whether they had all got into the same car.

W. And nothing further happened that evening that is relevant to this inquiry?

Mrs A: No. The only reason I can remember that incident. I mean there were others with other people that Jim had come down and sort of said somebody's coming down to talk to Jim. I mean actually I believe Jim Cairns might have been there one night.

W. To talk to Abe?

Mrs A: Well I can't remember whether he was talking to Abe or talking to Jim, but the only reason I can remember that is because this guy looked like Jimmy Durante and I said to Jim later on when all this...you see Jim and I had been separated and we meet and talk and whatnot and I pointed out to him Jimmy Durante is in the news.

W. Did you ever meet Mr Justice Murphy again after that occasion. Did you ever see him in the company of Mr Saffron?

Mrs A: I was sitting in on several conversations with various conversations where my ears pricked up when he was mentioned with my husband and later on with

W. Can you tell us about those conversations? Where did hear his name. What sort of conversations?

Mrs A: One evening when we went out to dinner. Jim, Grant and myself went out to dinner at the Caprice as it was then called. I looked forward to going there because I knew Danny.

W. That's Danny Sankey?

Mrs A: Yes. Danny Sankey. I knew Danny from the Latin Quarter. He wanted his restaurant to go well and I used to enjoy going down there. But at this stage I had always been kept out of meetings and rather rudely Jim would say, once we had got to a place and somebody had joined him and he wanted to talk privately, I'd have to go and sit somewhere else. On this particular night I refused. Grant went to the bar and I was expected to go to the bar too. Because I knew Danny I didn't think it was necessary to go away but the conversation that went on there - there was mentions of Lionel Murphy at that stage.

W. Do you remember the substance of what was said on that occasion?

Mrs A: Well, I'm not really a ..you know, I might have assumed wrongly but Danny was apparently suing the government or taking on the government for some reason or other and Lionel Murphy was mentioned, Jim Cairns was mentioned, Mr Wran and of course Jim was there I assumed from the conversation because Abe and I think it was Morgan Ryan

approached Abe who then approached Neville Wran to tell Danny to stop this and I rather liked Danny because he was full of principles. I was just a little bit disappointed - I got the impression that Danny was going to agree to drop it and I thought, everybody can be bought.

W. Do you feel that Danny was being bought?

Mrs A: I'd like to think he was. I think for someone to be enticed by money, I think is not such a bad thing nowadays. I mean life is not that easy. I don't know.

W. Was Saffron's name mentioned to Danny?

Mrs A: Yes. Abe not Saffron. because Jim was in partnership with Abe.

W. What was Sankey's response when Abe's name was mentioned on that occasion in the Caprice Restaurant?

Mrs A: Well, you've got to understand, all these little incidents we're talking about now and the situation we're talking about now is the reasons why Jim and I separated. I don't know whether I'm getting older or not but I like the nine to five and straight business life. This was one of the incidents where there was a great deal of animosity between Jim and I. You'd come home and invite his son out and myself for dinner. As soon as we got there Danny joined us we were asked to leave so Grant went to the bar. I refused and sat there so Jim's back was to me and Danny was sitting opposite so it was mutter mutter mutter and his reaction to Jim's conversation was not very apparent to me. It was just mumble mumble mumble.

W. You didn't pay much attention?

Mrs A: Well I was. Well ones ears prick up on you hear politicians names and things being involved mentioned and also the fact that I was very interested in what Danny was doing.

W. Were you very surprised that your husband would have been as it were acting as an intermediary to settle or prosecution of a case of this kind?

Mrs A: No, not really. Jim had done many things had been intermediary for various things and seems to be very good at that.

W. A case which involved the Prime Minister and a Judge of the High Court, didn't that strike you as being fairly astonishing?

Mrs A: No - not being associated in the type of business he was associated in. You'd be amazed who visited those places.

W. Which places?

Mrs A: Well, I don't know whether you are supposed to know about this sort of involvement in brothels.

W. I don't think you're going to give us any surprises.

Mrs A: Well, there were people who visited there who one never thought needed that sort of thing. I don't know, respectable business men and politicians.

W. High Court judges?

Mrs A: Well, when you say High Court judges, politicians and senators. Anything aboved a solicitor to me is important.

W. A suggestion has been made by Jim that in some way the fact that Saffron was involved as an intermediary. That would have been enough to intimidate Danny Sankey. Did you get that impression yourself?

Mrs A: Well of course. Danny was of a group of Jewish boys who used to call on Jewish boys and they had rich fathers and they were all in college. This was in the Latin Quarter days and they you know were all in law schools or going to be this or going to be that at that stage. I became quite fond of this group and yes, it would have terrified Danny.

W. Did it?

Mrs A: Did it terrify Danny? Well, the whole thing subsided then. It was only brought indirectly.

W. Was your impression of the evening that Danny was frightened?

Mrs A: He was agitated. He wasn't his usual self. You know I'd seen Danny with his girlfriend and whatnot. Well, we'd bought two dogs off them. His girlfriend ran a place called Dandy Dog and I'd been to lunch with them. I mean he totally ignored me, and that was strange for Danny. But then I thought he was ignoring me because he obviously knew Jim was annoyed with me for staying there.

W. But why would Jim act as an intermediary for Lionel Murphy? Did that ever cross your mind?

Mrs A: No, because Jim would act as an intermediary for Abe so whoever was contacting Abe would have asked Jim to be the intermediate. Like Danny Sankey I know wouldn't have talked to Abe. I mean, even though Abe was quite a

wealthy man and in some circles thought of as a business man, his reputation from many many years ago was always unsavoury so people don't deal direct with him. Danny would have been one of those people. Danny was what we would call fairly straight squarehead and yes association with Abe would have terrified Danny.

W. Did you ever have reason to believe that it might have been some kind of business association between Murphy and Saffron apart from that one occasion when they attended the Venus Room and you saw them together?

Mrs A: Sexually, yes.

W. Where did that information come to you to you from?

Mrs A: :Well, odd visits to. I mean Grant and Jim ran those places right and the conversations..

W. This is Grant your Foster son, right?

Mrs A: Yes, and conversations at home and different people and matters on..

W. Basically rumours as to who had been

Mrs A: Well, who had visited that night. A lot of those type of men have weird sexual habits.

W. Do you have any direct knowledge at all..

Mrs A: My goodness - I thought you were going to ask me whether

W. No, no, no, no, no, I just wanted to know whether you had any direct knowledge of any person that Murphy might have been involved with?

Mrs A: Lionel Murphy?

W. Yes.

Mrs A: Well, I know he was involved with Abe Saffron.

W. How do you know that? Through Jim or through some other source?

Mrs A: Well, from his conversation from Danny and timewise I'm not sure whether it was the Venus Rooms or after but in the conversations there was obviously Lionel Murphy.

W. Which conversation?

Mrs A: With Danny Sankey.

W. On that occasion?

Mrs A: Right.

W. Where do you get your information though that Lionel Murphy was involved with Abe Saffron in some sort of sexual business? Where does that information come to you from?

Mrs A: Who visited particular places in Victoria Street?

W. Well, who did visit particular places in Victoria Street?

Mrs A: Well, is this relevant to what we're talking about?

W. Well, only in so far as it deals with Lionel Murphy, it is yes..

Mrs A: There was a specific place in Victoria Street that catered for.

W. What was the particular place that er

Mrs A: I always get their initials muddled up. Don't know whether it was B and D or S and B or something or other.

W. S and B and perhaps

Mrs A: Can't remember. B & D or S & D Bondage something or other.

W. Whatever. Do you know the premises where they were?

Mrs A: I know the premises actually very well because I had the job of when it was closed, of selling the interior things on it, very embarrassing trying to sell over 20 beds.

W. It was your understanding that Lionel Murphy was regularly attending those premises, is that the situation?

Mrs A: Not regularly. I don't know whether he did regularly but it was mentioned on several occasions.

W. Mentioned by whom?

Mrs A: Well I know the management of those places - I don't know whether you want to involve management of those places. It extends from various people.

W: It's very important we know.

A: You see the trouble is these people will not testify. They won't give evidence.

W. We have to have the names of these people whether they testify or don't testify. We've got to have some names.

Mr A: The trouble is, the people who were in these premises used bodgy names and there's no way in the wide world you can find them. People have been trying for years

Mrs A: Well lets say at this stage you know what information I've got is of a wife basically earwiggling on conversations. It's very difficult not to hear.

W. Are you giving us information of what you've heard from Jim?

Mrs A: From Jimmy, from Grant and from several other people.

W. Can you tell us the several other people? These are people you've known?

Mrs A: Yes, I did know them very well.

W. Can you tell us who they were?

Mrs A: Well, unless I'm indicated from Jim to give you these names I won't.

W. Well Jim, I think you've got to help us on this one.

Mr A: One was Adrian Kay.....

W. Dead people aren't going to help us.

Mr A: You know this annoys me.

W. I know.

Mr A: You know this should have happened 20 years ago.

W. Well, its happening now.

Mr A: I can't bring Adrian Kay back to life. I mean he's just recently. That's just...there are lots of other people that are dead. Then there's politicians, I can't bring Connors back.

W. Obviously, it will never emerge that it came from you, but we do need to know..

Mrs A: What man.....I'll talk to you after, alright.

W. Give us the names of some of the people who have spoken about Lionel Murphy having attended this people establishment.

Mrs A: Jim, Grant, who are those two people? Wife of Reg Norton.

W. The manager of those premises?

Mrs A: That was 194.

Mr A: But he wasn't the manager.

W. 194 Victoria Street?

Mrs A: I know who the manager was darling, but you know.

Mr A: Then there was 157 which was the classic, that was the Touch of Class. That was 157.

W. That was 157 Victoria Street?

Mr A: Yes, that was the place that had the dungeon and the weird goings on

W. It was your understanding that Murphy used to attend there also.

Mrs A: Yes.

W. Can you give us the names of anybody in a managerial position or anybody who worked there who would be able to give that evidence.

Mr A: I haven't thought of that for years.

.....
.....

W. Can we turn the tape off for a second and we can discuss that aspect

Mr A: If there was an important VIP catered for. Forget Mr Murphy right, he is just one of many. They would have sexual fetishes right. Now, Abe would contact....and say so and so is coming down. He's important in the Customs.

W. Did he ever do that in relation to Mr Justice Murphy?

Mr A: There was maybe two instances that I can remember when he said, "who's down at 157. I just want to bring some people down to show them through". Right. Now in a couple of instances I was aware it was Murphy that was getting shown through.

W. How were you aware of that?

don't need Russia to attack here, but as I said, it's opening up a lot of old wounds and I don't want her to bust. Is that the expression?

D. Yes. That's why I thought it was best to stop.

Mr A: Possibly in a few weeks time or if we have to come back and the imbicile wants to fight it, because he's as guilty as hell, it's your job to to cross the t's and dot the i's, she'll probably recall certain things. It's just a matter of sitting down and saying "do you remember that". I'd forgotten when she become aware of Murphy being a partner of Abes was Les Girls. Honestly that went straight out of my head but she would have picked it up, because I never raised the subject with her. She's aware that Abe was going to visit

W. You didn't tell us last time that to your knowledge he was also a partner at Les Girls. Nor did you tell us last time that you had seen him on a number of occasions at Les Girls and I understand that you're sounding and feeling us out and giving us little bits at a time. We have to reach a point with you Mr Anderson where we feel that when we ask you something what we get is either a true answer or you tell us that you can't answer the question.

Mr A: It's not just a matter of not answering the question you see. At times you sit and talk. Now there's a couple of things shot into my head with this conversation regarding another matter that I've been trying to remember and couldn't. It's one of those things. You see you've been trying to get inside my head - 30 years! Like you're trying to debrief me on Murphy. Murphy to me is involved with Abe in so many different things. Other witnesses might say I know he was at this place and that place but it's like 20 odd years. Like

Mr A: They didn't take part in any sexual romps.

W. No I'm not interested in that. Did you see him in company with Abe Saffron at 157 Victoria Street.

Mr A: Showed him through the dungeon.

W. Right. Was anyone else with them?

Mr A: No. There was just Murphy and Abe. Cos I was standing on the footpath while they arrived to make sure that.

W. When did it occur that incident? Was it before or after the time that he was introduced, brought to the Venus Room?

Mr A: That was well after. The first time he came to the Venus Room was early on in the piece.

W. This was years later.

Mr A: Yes.

W. Was he a judge at that stage or was he the Attorney General for the Commonwealth?

Mr A: He went to the Venus Room when I had my wife serve him. I think he was a senator.

W. When he was taken through 157 Victoria Street, what was his status at that time?

Mr A: It was after the Sankey business.

W. So he would have been a judge. He would have to have been a judge?

Mr A: Yes, he would have been a judge then.

W. Did anyone else see Murphy that night?

Mr A: Not to my knowledge.

W. Can you tell me who the manageress of those premises was at that time.

Mr A: I honestly couldn't.

W. Mrs Anderson. Could you help us?

Mrs A: What was the one I was thinking of.....

Mr A: You were thinking of Norton's wife, but she didn't come on the scene until right at the end.

W. Can you just spell that name for us Norton? No

Mrs A: NORTON

Mr A: Like a motor bike.

W. And that's Reg Norton's wife. She was manageress at 157 Victoria Street.

Mrs A: 194 yes.

W. And 194. Are they related. Are they both Saffron run establishments?

Mrs A: Yes they were.

W. They were at that relevant time?

Mrs A: 194 they did an insurance job on that.

Mr A: Yes, they burned that. That was one of the fires, but they became involved right at the end. I'm just trying to remember who the hell the manageress was at that time. It was before the big tall negro lady came from Los Vegas. It was one of the working girls who was made manageress. She could augment her salary by you know, looking after customers.

W. Would you be able to tell us the names of any of the girls who worked at 194 or 157 who might have had any dealing with Mr Justice Murphy?

Mr A: No.

Mrs A: They were just girls.

Mr A: They all had strange names.

W. False names?

Mr A: They all had false names and most of them were there for a specific purpose. To make enough money to buy a house, to buy a car or like you know. They would only be there for basically a short time. The high class ladies never went on and on. They were there to get what they wanted and then they would go back to a respectable life.

W. Mr Anderson, It was your role to ensure that when Saffron brought a VIP there there was no one around. It was done discreetly.

Mr A: There was security.

W. What sort of security was organised?

Mrs A: Most of them were given the night off.

W. Most of the girls were given the night off?

Mr A: If it was a private party. There were a lot of private parties where the thing would be booked up. I can give you one good example. The trouble is, the security I used to organise was so good. This is why we're having troubles. My job was to ensure that nobody could ever blackmail anyone, or they weren't aware of who was coming. There's one incident that really sticks out in my mind of how these things happen. There was one VIP. He was an Indian gentleman. He frequented the place for 2, 2 and a half, maybe 3 years. He would spend 7, 8, \$10,000 in the establishment. Now what he would do is come down. He'd book all of the girls for the night. Sometimes he never had sex, he'd just sit and talk to them, and he took some out for dinner. He got attached to one and he bought her a restaurant in Newcastle I think it was. Bought half a dozen fur coats, jewellery, diamonds, all sorts of things. To the staff, and even to me he was a mystery. He was obviously an enormously wealthy man or had access to enormous funds. What transpired after two and a half years and I'm not prepared to go into that right. I found out who he was and so did another couple of people. Well I wouldn't like to bank in that bank. He turned out to be the overseas manager of the Wool Board and I think they caught him and charged him with defrauding the Bank of a million, eight hundred thousand dollars, which is the greatest load of bullshit in the world because he spent millions just in the parlour. He also started losing enormous amounts of money on gambling. I think you could possibly check that up. I think the Commonwealth locked him up.

W. I don't think we are interested in anyone else but Mr Justice Murphy.

Mr A: Yes I know that. You must appreciate that my job was to create security which saved embarrassment.

W. But you did on one occasion?

Mr A: On one occasion he was only shown through.

W. Did you ever see him at any of these establishments apart from that one occasion.

Mr A: Not personally but I was informed. I used to get requests from Saffron to organise girls for private parties, at establishments that he owned. That Saffron owned.

W. Those establishments. Where would they be?

Mr A: All over the place. Buckwood Lodge was mentioned. There were some apartments in Macleay Street was mentioned.

W. Did Saffron tell you who were the guests?

Mr A: At those times occasionally he would drop a certain person has got a couple of friends coming up from Canberra, or up from Melbourne or overseas.

W. I'm not interested in anyone but Lionel Murphy.

Mr A: I know, but I'm just saying how it would be put to me. Sometimes he would say we've got a bit of a do on tonight. Lionel's got a couple of mates up. Who have

you got that's good in a specific area. I'm talking about sexual areas. I'd say that one seems to be OK there and they've got somebody down at 194 or somebody at 157.

W. How many times would that have happened.

Mr A: Quite a few times over the years. It was like the boys getting together for a night out. Basically that's what it was.

W. So on a number of occasions Saffron contacted you and said he wanted something organised either for Murphy or for Murphy and his friend or for Murphy's friends.

Mr A: Yes.

W. Any other persons who knew about these parties that you can think of. Can you give us any of their names

Mr A: Well, one person that was mentioned. It was a girl called Abigail who became famous in No. 96. She is a bisexual lady. You know they required ladies for her to perform in front of Abe and his mates.

W. Are you able to place Abigail with Lionel Murphy.

Mr A: I've never personally seen them together.

W. Have you spoken to Abigail?

Mr A: No never.

W. Have you never organised Abigail for any of these?

Mr A: No. Abe used to handle that himself.

W. Through her?

Mr A: The only other person I ever knew who was actually physically involved in organising things like that was tosher the torch at the later stages.

W. That was for Murphy?

Mr A: I'm not sure whether it was for Murphy or not. You didn't have to be a crystal ball. You know people were in town.

W. Mr Anderson. You kept your ears pretty close to the ground you would have known who Murphy was attending these functions?

Mr A: Yes. Well yes. Like you know.

W. Who were some of the people he attended these parties with? Who are some of the people that Murphy would have attended these parties with or organised these parties for?

Mr A: Morgan Ryan, Merv Wood, Farquahar. It was people in that group that had these fettishes or liked a kinky night out as the expression was. Like Lionel had some of his mates in town or somebody in town and that was how it was done.

W. Mrs Anderson Did you ever see Lionel Murphy again in person apart from that one occasion at the Venus Room? Have you been able to recollect now who the people were who managed the premises that you told us about before?

Mrs A: No. During that conversation with you and Jim
.....

W. But you know who those people are?

Mrs A: Yes.

W. I just want you to understand that if you give evidence you can be asked that question and you have to answer that question. Will you do that. This is a serious business. The Commission of Inquiry has a

Mrs A: There's a great deal that I can't recall.

W. But you can recall that though?

Mrs A: Well. You know I'm talking to you now because Jim requested me to and even though you 're putting it on tape I can perhaps jog Jim's memory at a later stage.

W. You're saying that if he's prepared to help us then you will help us. That's the position?

Mrs A: The instance that I talk about now I can remember myself. I can remember those things. The things that you want me to get involved with are the things, you know, my marriage is not what it should be. I left because of.....

W. I'm not trying to put any pressure on you. I want you to understand that this is one of the most important inquiries this country has ever had constituted. It is of very great importance to a lot of people. The Commission is....

Mrs A: The way I'm feeling now - the sexual habits of Lionel Murphy

W. It's not the sexual habits at all that we are interested in, it's the association with Abe Saffron. That's more important.

Mrs A: Well I've given you an association at 157 right?

W. The difficulty is that the association seems to be linked sexually through these premises.

Mrs A: Well, that's exactly right because Abe Saffron, and not only myself but many people know Abe Saffron from 1949 as being a sexual pervert. He's been associated with...

W. Well, I can assure you that we are not the slightest bit interested in Mr Murphy's private sex habits whatever sex habits. We are interested in any association with Saffron. That's why we are asking these questions, this is not an inquisition into his sex life. It's quite irrelevant. But if he has been getting favours from Saffron to attend these sorts of parties or if he has been using and utilising Saffron's premises, that's very very relevant to our inquiry and that's why we need the names of the people in question. Now it's perfectly plain to us that both your husband and you do know these names. We are asking you again for your assistance. It goes only on the question of association. Believe me we're not interested in anything else. It's plainly in that field. Will you tell us the names of those people?

Mr A: When you subpoena me I'll have to find them first because I honestly don't know whether they're in the country now.

W. Well, we don't care where they are. We want to know their names.

Mrs A: Ones that my wife mentioned were very late in the area and at that time - we are talking around about '79.

W. Somebody knows whether Mr Justice Murphy was attending these places. Somebody knows that directly and you know.

Mr A: I know directly he was.

W. You know directly he was but we're going to need some corroboration of your evidence and you understand that.

Mr A: I realize that. I will get you that corroboration.

W. Why wont you tell us their names now? We're not going to act on that. I give you my undertaking we won't speak to those people until we've cleared it out with you.

Mr A: Some of these people might not even want you to speak to them.

W. But I'd clear it with you.

Mr A: No. This is something on which I'm adamant and hell can freeze over first. Until I've spoken to these people I am not prepared to put their lives and their futures in jeopardy - right. To confirm or deny that Lionel Murphy is Abes silent partner along with Morgan Ryan. I know it's true. My wife knows it's true, so does my stepson, so does a lot of people.

W. Your wife hasn't told us that yet. Do you know that that's true Mrs Anderson?

Mrs A: Yes, I know it.

W. You know that Murphy was Abe Saffron's silent partner.

Mrs A: Yes.

W. How do you know that?

Mrs A: From conversations.

W. What conversation?

Mrs A: Conversations on the Venus Room with Abe and Jim that I was part .. That I wasn't part of but I was around. It was just common knowledge in my household these things but it wasn't of a great significance of interest to me because that was part of his life, not mine.

W. Did Saffron ever tell you that Murphy was his silent partner?

Mrs A: No. He never discussed business with me at all. Only at one stage when Jim was very sick in hospital did I associate directly business-wise.

Mr A: Let me point something out there and then. That short association got her shot 7 times and my foster son 4 times. Now if you can't nail Murphy with what you've got now you're never going to nail him or Saffron..

W. We need some corroboration of the association between Murphy and Saffron. If we get that corroboration - if we get that evidence through, that will be the finish of Mr Justice Murphy. The problem is that at this stage we have your evidence and we have the evidence of your wife and we have a number of other persons whose names have been given to us.

Mrs A: What do you need corroboration for....

Mr A: Can you give me the courtesy. Once you've finished talking to Grant and my wife because what I told them that was all you wanted was the corroboration of me acting on behalf of Murphy through Saffron to do the Sankey deal which you can get corroboration through other people and the fact that Murphy visited the Venus Room on that one occasion when somebody I know served him who happened to be my wife. Now that's what I told them solely that we were going to have. It seems to be broadening a bit. I don't mean to be disrespectful but what I would like.

W. I would remind you Mr Anderson, that when we spoke last week you did not tell us about this incident.

Mr A: I didn't think you would require that incident.

W. You didn't tell us. I did ask you several times if those were the only times that you had ever seen..

Mr A: I said that's the only times that I could recall.

W. Today you've given us a new incident and because you've given us a new incident we've been asking questions about it.

Mrs A: The trouble is that this was all a long time ago. If you sat down and had dinner with us then different incidents would crop up, but for someone to come to you and say do you remember 7 years ago.

W. I appreciate how difficult it is to go back 3 years let alone 10 years. I'm asking you simply to do your best.

Mrs A: It's obvious to me through Jim being Abe Saffron's partner and working manager of all clubs and whatnot that business was just discussed at home.

W. Can I ask you this Mrs Anderson --When did you first learn that Murphy was a silent partner of Saffrons in the Venus Room.

Mrs A: When we were contemplating taking over Les Girls and then there was a lot of business discussed at home and who and what involvement everybody would have in Les Girls with Terry Boon -- the fact that we were using his name going to use the name Les Girls. It was mainly business then, more business people associated with that only I knew about and that was when I was aware because finally I thought at that stage that Les Girls was a tourist attraction and to me it was reasonably respectable and it was one of the first respectable businesses that I could say to my friends we were associated with. I was looking forward to the fact that we were taking over Les Girls and it wasn't until we were involved in it -- it wasn't a great deal different then between the Venus Room and 157 but nevertheless to me it was a sign of respectability at last and Lionel Murphywho was the name.....Mr Abe Saffron and there was Morgan Ryan and another guy that I haven't been indicated to mention but he was also in partnership at that stage.

W. In the Venus Room?

Mr A: That's when we started having bad blues because I went out to buy Les Girls three or four weeks before and I got blown up and I was in hospital for some considerable time. He made her the licensee and manager which I was really annoyed about. Dirty

Mrs A: I was the licensee. Told to be licensee in name only I went through the procedure of going to

Mr A: That's when Murphy's silent partnership came up because I was going to buy it on my own.

W. Les Girls?

Mr A: But when Abe bought it on his own, which he did, I had no part in it. When we were trying to organise the split up it came to 60/40 - this 10% was split up between Morgan Ryan and Murphy. That wasn't unusual because certain police commissioners would have silent interests in clubs

W. Sorry - you are saying that that was the first time that you learned Murphy was a silent partner in the Venus Room.

Mr A: No. I was aware of that when I went into business with Abe originally. I jacked up then.

W. Did you tell your wife about that?

Mr A: Not at that time. I don't think so.

Mrs A: I became aware of the association when Les Girls situation came on when Jim became incapacitated and that's why I became associated with Abe personally.

W. How did you became aware of the association?

Mrs A: Well we had an office upstairs. We had several meetings upstairs with Abe and various men which I couldn't say was Lionel Murphy or whatever but their names appeared and we used to have code names for police or Lionel Murphy.

W. What was the code name for Lionel Murphy?

Mrs A: What was the code name for that. My god. The police boys were the Police Boys Club. That was the police. SM I think.

W. SM?

Mrs A: Yes SM There was an envelope for him.

W. SM. There was an envelope for him containing cash?

Mrs A: Yes at the end of the week.

W: What was the code name for Morgan Ryan?

Mrs A:several managers too.

W. Was this at Lodge 44?

Mrs A: This was upstairs Les Girls - our office's up there. Lodge 44 was Abe's personal office.

W. Who had offices up in Les Girls? Abe used to have offices up there?

Mrs A: Well basically I suppose you could say that it was my office because it.....

W. Abe used to come to the premises at Les Girls? And are you saying that Murphy was also a partner in Les Girls? You are nodding your head..

Mr A: Yes. Sorry. Any business that I went into, there was always this 10 percent which was mandatory which was told to me by Saffron that was Lionel's and Morgan Ryans.

W. When were you told by Saffron that Murphy was a partner in Les Girls as well as in the Venus Room?

Mr A: When I came out of hospital and my wife had had an enormous blow up because I came out of hospital then she got shot and I had to take back over control and I was not physically capable of it so like Grant and other people used to drive me around and I got a general manager as a front to do certain things.

Mrs A: Brian Tobin used to drive you around while Grant was in hospital.

W. Did you ever see Murphy on the premises at Les Girls?

Mrs A: No. I couldn't say for sure.

W. Do you think you did?

Mrs A: Well I do think I did, but well.

W. You didn't pay much attention?

Mrs A: I didn't.

Mr A: I can categorically say that Murphy was on Les Girls premises.

W. You can. You've seen him?

Mr A: Yes. I've seen him there on a number of occasions.

Mrs A: I've been well trained over the years with James I was not allowed to talk to anybody about anything. I'm a free agent now I can just sit all day and do nails all day. It's lovely.

W: Look. If you think that we are enjoying this thing any more than you are I've got news for you, we are not. Can we just continue that. You did see Lionel

Mr A: On a number of occasions.

W. In the offices? Can you tell us

Mr A: I am reasonably over protective of my ex-wife.....She's been under enormous pressures and that she's talked to you is a miracle. I tell you that now I blame my wife's problem right back to day one with Saffron's association with Sammy Lee who was pushing drugs out of the Latin Quarter. My wife became addicted, so now you know why I hate them. Why I'll fight them with or without your help. If you are going to interfere with my private war which is private only because your judges, QC's, barristers, police commissioners and the whole damn lot of them don't do what they are paid to do so I feel a free agent to fight them anyway I like. It might not conform with your ethics. I'm not interested.

D. I should say in defence of some of them that some of them don't and we all agree with that.

Mr A: But what I'm saying is - I don't want you to take this personally. I just want you to understand how I feel.

W. We understand. We are of course very sorry that we've troubled her and we are very grateful for the time you've given us, but I think you can understand just how important this inquiry is.

Mr A: I can understand how important it is for you.

W. No not for us, for the country.

Mr A: Believe me, I know it's for the country. That your biggest problem the corruption in high places. You

don't need Russia to attack here, but as I said, it's opening up a lot of old wounds and I don't want her to bust. Is that the expression?

D. Yes. That's why I thought it was best to stop.

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you try to recall, sitting here for a couple of hours. If I can come out and say da da da, because it's shonky. You just don't remember like that. I can distinctly remember the Sankey matter because it's been rehashed so many times and it can be corroborated.

W. But you have seen Murphy at Les Girls on a number of occasions - with Saffron.

Mr A: Yes. When Murphy came there Saffron always appeared. My wife I consider was wrong. To my recollection Murphy and the Asian lady came in first because I had to phone him at Hopetoun Avenue for him to come down. But I was the one that took him and sat him down. Perhaps by the time she served him he had been there. It would only take him 10 minutes to get from Hopetown Avenue anyway.

W. But the last time we spoke to you you didn't tell us that Saffron had sat down with them.

Mr A: No no, Saffron didn't sit down. Saffron stood all the time. Murphy stood up, the Asian lady stayed seated.

W. You didn't tell us Murphy was there on the last occasion you spoke to us.

Mr A: I did.

W: I may stand corrected.

Mr A: You're wrong. He was the one who told me he was coming in and when he came in to phone him, then he arrived and Saffron would have been there about half an hour at the most and he stood talking at the table. They were doing that and nobody went near them. I think she's got it wrong there that they came in together because they didn't come in together.

W. Can we get back to Les Girls business?

Mr A: I havent been through with my wife and my son and say you say this or that, that doesn't wash.

W. We want to hear your own stories independently. Tell me more about what other businesses Saffron was involved in? What other businesses was Murphy a silent partner with to your knowledge?

Mr A: Any business that I was involved with Abe in the Sydney area I was told and there were deductions made of 10 percent. It was usually 60/40. If it was 50/50 there was still 10 percent came off and it was divided between Morgan Ryan and Murphy and the places that I actually had that financial arrangement with Saffron were the Venus Room, Jim's Showbiz, the La Bastille , the VIP, the Carousel was Les Girls later, Gilligans, 194, the Latamie.

W. In every one of those you were told

Mr A: That that came off the top to go to Morgan Ryan and Murphy it went straight out of my head. The only place that I can't say Murphy was involved in or Ryan was involved in was up above the Venus Room because that was never included.

W: That was a brothel.

Mr A: 30 rooms - actually a private hotel.

W. Did you see Murphy in company with Saffron on a number of occasions or only the times you have told us about?

Mr A: He would come into Les Girls during the show right and he would sit there watching the show. Abe would let me know when he was coming in to make sure he was getting a good table or something. He'd arrive, Saffron would arrive, you know like Moses - He'd have a little walk through, little nod and hello, and a conversation. At certain times Les Girls was on the top floor and sometimes on the bottom floor.

W. And this was after the Venus Room. This was quite late in the piece that your talking about?

Mr A: No, no, no. This was after they got was shot. That occurred after they got shot. It was after that that 157 and 194 came on the scene.

W. So it was about that period.

Mr A: Yes. It was about that period of time.

W. Right. OK. Well, we'll come back to you. I think Grant would like to tell us what he can. Have you ever seen or spoken to Mr Justice Murphy.

G: No.

W. Never?

G: No never.

W. Have you worked at the Venus Room at the various times?

G: Yes.

W. Do you know anything at all about Mr Justice Murphy's association with the Venus Room.

G: Not really, no.

W: Did you attend the Caprice restaurant on the occasion of the Sankey matter?

G: Yes, I did.

W: Did you overhear any of the conversation?

G: No, but my father told me what was happening.

W: What did he tell you?

G: Well, I'd been told before we went to the Caprice.

W: What were you told?

G: Well, um, settling day my father used to settle with Abe moneys and that, on a Tuesday usually, sometimes maybe a Friday but normally a Tuesday. And, ah, I used to go to the Lodge with him occasionally, drive him there or do his bits and pieces. Sometimes I'd come in, sometimes I wouldn't. On one occasion I went into the Lodge with him while he counted the money, and a phone call came through which Abe had a conversation. He said, it wasn'treally, he just ah, when he'd finished the conversation he said to my dad that, um, he told Lionel, this is what Abe said, I told Lionel he said I've got everything in hand and Abe looked at my dad and said, This'll go good for you. That was more or less it and then when we walked out of the Lodge and we were in the car driving I said, I said to my dad, what's that...what's going on. He just said, There's a billion dollar money scam happening. I said, Oh yeah, just like that. He said, and we've got a meeting down at the Caprice. I'll take you and your mother to dinner and you can drive us down and I've got to see Danny down there. Danny Sankey.

W: Did you know Danny Sankey?

G: No, I just know of him, haven't seen him, I don't know anything about him I could have met him but you know, I just can't recall if I did.

W: Yes.

G: I just sat at the bar and that was about it and they were there for maybe an hour, an hour and a half. When we left my dad said everything's fine, everything's going to be alright with the business. I just said, Oh, great, just like that and, ah, I think he seen Abe a couple of days later.

W: You went to see Abe?

G: With my dad, I drove my dad there.

W: Right.

G: And, ah, he told Abe that everything was fine and, ah, Abe said, Well I'll let Lionel know. He said, And I'll get Morgan (I didn't know who Morgan was, I didn't really know who Lionel was, I just heard these names) and he said, And I'll get Morgan to organise the meetings.

W: You didn't know who Lionel was?

G: Well..

W: At the time, you must have known it was Lionel Murphy, a judge of the High Court?

G: Yeah, well, yeah, I didn't...I don't know him like I know him now through the newspapers and..

W: But did you know at the time that it was Lionel Murphy, judge of the High Court that he was talking about?

G Yeah.

W: What did you think that you father had done?

G: Just, um, ah well like a lot of people call on my dad, like my mum said. They don't want to do business with Abe and, um, my dad's a middle man. He fixes things. He fixes.....So you know, to me, for you it might sound strange but to me it's the way of life for my dad fixing things for people, you know that are white and legitimate, can't front meetings themselves. I didn't really think too much of it. I mean, um, I've just dropped a couple, said a couple of names and told you what I overheard you know. I mean my dad didn't clue me in or anything. He just said, I want you to come along and just verify what went down and I..... Abe's never done nothing to me nor Murphy. But, you know, my dad wanted me here to tell what i knew and I'm doing it.

W: We understand that.

G: And, you know, I'm on parole, and I don't want to go back.

W: Listen mate, we are interested not in Abe Saffron in the slightest. That's where your father's got a different interest. We're not interested in him. And we are interested only in following up a number of allegations that have been made about Murphy.

G: Murphy.

W: Murphy. Right.

G: Well, isn't Murphy and Saffron together?

W: Well, you tell me.

G: Well I don't know. I'm not going to say, I mean, I have just got to put this down.

D: Yes, we understand what you mean. I mean,

W: Your in a difficult situation, we can understand that.

G: Do you know, like, goal doesn't worry me too much.

G: Sorry, goal if I had to go back there 'cause I've done two years, doesn't worry me too much. I want to go straight. I'd like to get in the nail business with my mum, you know. So, I'm not sort of, I know a lot of things. I have been in the Cross most of my life. (Voice interrupts). That's what I told you about. Ah, Murphy and Morgan Ryan, what I heard. That's about it. I can just, ah,From what my dad tells me, he tells me a lot of things, you know. You hear a lot of things on different people. But if I'm to be honest..

W: We can't get any help from you on anything that you have heard by way of rumour, I understand that. We are not interested in rumours.

G: Yeah, exactly, I know you're not. We are interested in knowing what you saw and what you heard, but if you, um, overheard Saffron on the telephone apparently speaking to Lionel.

G: When he had hung up he said to my dad, that was Lionel, and I told him everything's in hand.

W: Yes.

G: I've got everything in hand and then he said to my dad that this will go good for you.

W: And then a second telephone conversation?

G: He said that he was going to call Lionel and let Lionel know everything was alright.

W: Did he make that call in your presence?

G: I just can't remember that. It's a long time ago you know.

W: Yeah, of course it is. It wouldn't have meant all that much to you at the time.

G: Exactly. You know, but, I don't know if he called Lionel then but he could have. I just remember him saying that he was going to get Morgan to organise the meetings and..

W: And I take it if your father ultimately decided to help us with some more information about other people who might be able to give us some direct evidence about Murphy you would be in a position to tell us.

G: My name on that says O'Meagher but I'm an Anderson. I'll do...

W: Do what the old man..

G: Well, not what the old man tells me to do but I'm with..

W: You're with him?

G: I'm with him all the way to the wall.

W: Good on you.

D: Alright, well I don't think we need to bother you any more.

W: No.

G: This is a Royal Commission we are talking about?

W: This is a Parliamentary Commission.

D: It's a little bit different to a Royal Commission.

W: It's got the same powers as a Royal Commission.

G: Has it?

W: Yes.

G: And, um, what happens now if, is this going to go to a Commission or is this,.. I mean, I know a little, ah, a few bits and pieces, you know, how I figure it is. I could be wrong but your're going to gather evidence and you are going to say to Murphy, Well, or whoever is going to say it, This is it, and if he wants to fight it we go on with it, is that right. And if he says, O.K. you've got enough evidence and he puts his head down and walks out..

W: That's the end of it.

G: We don't go on with it.

W: That's right.

G: I'd just like to know for myself.

W: No, that's the position. If he were to decide after seeing what the allegations are, or the charges are, he doesn't want to go on with, that he...

D: He resigns.

W: He resigns, that's the end of our Commission.

D: The Commission would be over then because the Commission is only formulated on the basis of his still sitting on the High Bench.

G: O.K. And another thing Adrian Kay a great personal friend of mine. He was a great person.

W: Yes.

G: And, um, I don't want to end up like him.

W: O.K. We appreciate that.

G: I'm not saying who did it. I'm not trying to buy in. I'm not nominating anyone.

W: I'm telling you this and this only. So far as you people are concerned the Judge and his team will not know which witnesses we are going to be calling until we call them.

G: Good enough.

W: Alright.

G: And I want to say something else. My father's a powerful man, so is Mr Saffron. If my father wants to find out something, he finds out. Same with Mr Saffron, you know. Mr Saffron hasn't done wrong by me, he's done wrong by my dad and I just....

W: I am not in the slightest

G: Good enough.

W: ..bit interested in Mr Saffron or his affairs. Its completely irrelevant to me. It's completely irrelevant to our Commission. We are not looking into Mr Saffron. We are looking into this Judge because it's been said to us that a person who sits on the High Court of Australia should not be a business associate of Mr Abe Saffron. And that's how Abe Saffron gets into this case.

A: Or even connected with him.

W: Or even connected with him. That's how he gets into this case. We are not investigating, we are not interested in Mr Saffron's business or affairs at all - not in the slightest.

G: To put it hypothetically if he's involved with Mr Murphy isn't that his business interests then. If you're having a go at Murphy an then...

- W: I'm not having a go at anyone, understand that as well. We're not prosecutors. We are calling evidence of allegations that have been made to us and they didn't come from your father. He didn't come to us, we went to him. We went to him because it's now on public record.
- G: No, no. I'm..
- W: We are being perfectly straight. This is all on tape.
- G: Because I tell you my little bum's been twitching waiting for you. I just didn't know how it was, and, you know...
- W: I said to your father on the first occasion that we spoke that this Commission is interested only in the questions that we have to look at, nothing wider than that. O.K.? And we are a dead straight Commission. I can't control the flies on the wall.
- G: My dad told me that.
- W: I can't control the flies on the wall. I mean I don't claim to be, you know, God. I can't control the secretaries that are there. I don't know what is happening, but I can tell you this. The people who are involved in this Commission - the three judges, the barristers and the solicitors - everyone involved in this Commission is dead straight, not interested in doing anything but going to the matter that we have to....
- A: Can the Federal Government pull you up. And I think I have asked you this before.

W: I think we have already answered that to you. They..., theoretically, and I'll tell you why it's theoretical, because they need both Houses of Parliament to do it.

A: With the Senate too. Do they have control of the Senate?

W: But they don't have control of the Senate. So in a practical sense, not the Government, we are set up by Parliament not the Government.

D: The both Houses of Parliament.

A: You really represent the.....

W: We are the first ever Parliamentary Commission of Inquiry. The first one ever. There have been plenty of Royal Commissions. We are not a Royal Commission. This is set up by Parliament - Parliamentary Commission of Inquiry. We are set up by Parliament.

G: This is a big one what's happening now?

W: Very big.

A: The biggest ever.

G: O.K.

W: O.K.

A: You're really inquiring into the justice.....

W: We are advising Parliament whether Parliament should remove Mr Justice Murphy.

D: Parliament has the power under the Constitution to remove a justice from the High Court.

- W: Like impeachment. .If Parliament is satisfied that for whatever reason the Judge should not continue to be a judge they can remove him.
- A: Now does..., that, that would mean Hawke and company would have to say, if he decides to fight, they will impeach him and it will go, go to trial.
- W: Our Commission advises Parliament and then it's up to Parliament as to whether Parliament acts on that advice or not. We don't control Parliament. We advise Parliament.
- D: We advise Parliament.
- W: But it would be, ah, one would think very surprising if our Commission, our three judges came out with a recommendation and Parliament then didn't follow the recommendation.
- W: We don't care...
- A: That wouldn't surprise me.
- W: But I want you to understand this also. We don't care, we don't care, I don't care personally whether Mr Justice Murphy beats this or doesn't beat this. We have got no axe to grind. We are in the business of finding out what the facts are, putting them before the Commissioners.
- D: They decide.
- W: The Commissioners decide. We don't decide anything.
- D: Parliament decides whether it will agree or not agree with that advice.

- A: Well, you see, once again I have already encountered this type of set up with a Parliamentary Committee.
- W: That's a political
- A: Now wait a minute. We're talking about facts and evidence. Now, out of courtesy to Murphy and all the rest of them, not that I like 'em or dislike 'em, I thought it would be unfair - funny enough I have strange ethics - to blurt out what I was going to say to them in open court with the media there, right.
- W: Well, you did in in confidence.
- A: To do it in confidence they have to recall me and didn't. And they manipulated the Parliament or the Government in such a way that I came up shonkey again. My credibility is ratshit because Roach or whoever was the Chairman said I didn't come back to testify. Now, the evidence is there that that is a lie.
- D: They didn't give you the opportunity, is that what you are saying?
- A: That's right.
- W: Yes.
- A: They then explained why when they were asked, Oh he didn't come forward. Now I had already stated I'll come forward, just recall me. Now that went in front of Parliamentary privilege again. And they crucified shit out of me. Now this I can handle because eventually I'll win the war - if I'm alive. Now you are obviously, if everybody is fair dinkum with you and tells you the unvarnished truth without protecting

anybody, yous are gonna be in possession of evidence that can bring down the Federal Government and the State Government. Now that's not your job. You're gonna be sitting and the judges are going to have evidence before... Now let me finish.

W: And there are no politics in this Commission of Inquiry.

A: Let me finish before I lose my train of thought. Now, Morgan Ryan and Murphy are partners. I know it. Yous have got to prove it. And Saffron, the deadly threesome, right. Now, I know, my son's a witness, my wife's a witness, there's umpteen other people witnesses that Morgan Ryan came down and got me to sign papers to bring in illegal aliens. Now that is a Federal charge. Now they have juggled the law to protect the guilty and his trial is still coming up. Now you're going to get evidence out of me and witnesses that they haven't got. I have never been called before Morgan Ryan, but the State Parliament's aware of it and so is the Federal Government at this present time aware. I have never been subpoenaed. Now yous are gonna be sitting on evidence. I don't say surpressing it. Your judges are going to know what is going on, right? So, like you know, I realise that doesn't come under your charter, you're going to be in possession of information that if you believed the law as I used to naively believe it then you are going to say, Look subpoena him he knows about that, but you can't do that because of your thing. You know, the more this develops the more it seems that the law is, um, the whole thing is set up to protect the guilty not the defend the innocent. That is all you have heard of me and my whole career. I have got no criminal record, only because Saffron and his corrupt politicians and

Murphys and everybody else has been protecting me. I can still apply for a liquor licence. I can still apply for a gun licence. I probably wouldn't have much chance getting it but if I do business like they want me to do I guarantee I'd get it. Now the only way I can prove to you and your judges is to go ahead and do it. And that's exactly what I am doing.

W: Mr. Anderson, you will get the chance to say what you want to say before our Commission of Inquiry. We hope that you will say it in exactly the way that you have told us.

MrA: I will.

W: And, ah, all we can do is leave it to the three judges who are honest, decent people to make their own assessment, and...

A: Well, I know that one of your QC's and I know that one of your judges are desperate to get him off. Can they get any of these judges off this thing?

D: Sorry, I didn't understand..

A: The three judges, I don't even know who they are but I know that they

W: They're not from New South Wales.

A: Oh, I know that.

W: They're from three different States.

A: I think the Victoria one...

W: One's a Victorian, that's Sir George Lush. And there's one from South Australia, Mr Justice Wells - he's the one Mr Justice Murphy sought to have removed from the...

A: I know, they don't want the Victorian one. I can't tell you how I know that he...ah, they have obviously, the judges in their wisdom, one of the troubles with your judges, all due respect to them they can listen to this anyway, is they live in ivory towers out of touch with reality really. Like you know they get up there and they believe police don't tell lies and do verbals and all the other garbage.

A: No, a lot of them...

W: Mr Anderson, you know you're going back 10, 15 years.....

A: But don't forget this is what this is going back. We're going back into that time sphere.

W: But we're talking about...

A: Oh, today's different.

W: ..judges who are rather more in touch than..

A: Yeah, besides being in touch, I mean the public image of me as I've got to be the smartest gangster alive in Australia because I have been crucified only in one area. The New South Wales State Parliament has had a real go at me. The Federal Liberals aren't too keen.

W: Well, you understand that ..

A: But Lionel Bowen tongue in cheek said, Oh, well you gentlemen making the allegations, is rather notorious in other areas.

W: You understand that there's going to be a lot of mud thrown at you when you give this evidence.

A: I don't care.

W: When you give this evidence before the Parliamentary Commission also.

A: I don't care. But I don't want to leave a trail of dead bodies which is happening.

W: Thank you Mr Anderson I think we will

A: No, I think, you had better leave this on for this.

W: Thank you very much Grant.

A: I think it could be advisable if I have a cup of coffee with you two gentlemen before I leave, different things may transpire that I would like to tell you of.

W: Particularly if you are able to give us further information about other persons who can corroborate again some of the things that you have been telling us.

A: You can appreciate my wife's association. We used, like she started getting very nervous with the Murphys and the, it became so political and like I have never run a brothel or prostitution in my life but I was the one who would set things up, lease them out and really have unofficial control.

W: Yes.

A: And if they were required for private functions everybody had to be off for the night and they would come in. And my job was to ensure that nobody was embarrassed. I did such a good job very few people ever have been. To get people to come forward now. I mean I'm convinced that my secretary who was murdered, she's supposed to have fallen off the back of a truck. You can kill people by chasing them just as easy as doing something else. I know Adrian Kay was murdered because Adrian told a certain person that he was going to testify if I called him. Right. And he told my son that four days before he got murdered. I'd like, see, we are dealing with a multi million dollar industry and these industries can't work without political lobbies, like you know people that approve developments, Darling Harbour is a beauty, but every State has got the same thing going on. Now if suddenly if too many people are getting splashed because I'm going to be a live one and testify and poor people have to testify. They've got no scruples.

Now.....
People get sick to death of you people saying that I'm fleeing in fear of my life, right? Because if you can argue too often, your.....believes you. The only reason we've been talking is my sister works and a lot of people feel secure that I am not going to violate a trust and they've got nothing to do with Murphy and Saffron but at times, like not all police are bad, not all lawyers are bent, but there are times if you don't look the other way you are not going to get too many briefs.

.....
 ...

W: Alright, well I'll just say that we completed the tape at 7.15.