

**IN-CONFIDENCE**

**Parliamentary Commission of Inquiry**  
G.P.O. Box 5218,  
Sydney, N.S.W. 2001.

**FILE No.**

C 28 /

ARCHIVAL ACTION

FORMER PAPERS

## LATER PAPERS

**TITLE**

## ALLEGATION NO 15

## Related Papers

[illegible]

FILE No

U. 23

*Documents returned to AFP 21/8/86*

*as*

Documents received from Senior Constable S. Hill,  
CID, AFP, Canberra on 4 July 1986

- ✓a. 4 Manilla folders marked "Diary of Morgan Ryan" containing photocopy documents.
- ✓b. Photocopy NSW Police documents (Lowe/Shaw: attempt to influence Lewington).

Documents received from Detective Acting Sergeant B. Knibbs,  
NCIB, Canberra, on 22 July 1986

- c. Age Tape Enquiry:
  - ✓(i) Original Running Sheets
  - ✓(ii) Working File - Volume 1
- d. ✓Korean Immigration Enquiry:
  - (i) Volume 1
- e. Rodney Groux Enquiry:
  - ✓(i) Original Running Sheets
  - ✓(ii) Volume 1 - Original Statements
  - ✓(iii) Volume 2 - " "
  - ✓(iv) Volume 1 - Original Documents
  - ✓(v) Volume 2 - " "
  - ✓(vi) Volume 3 - " "
  - ✓(vii) Briefing Papers, Reports, Correspondence

Documents received from Superintendent F.C. Pimm, Commander  
Western Region, AFP, Perth on 24 July 1986

- ✓f. File marked "Moll Commodities Brief 1"
- ✓g. Lever Arch Folder marked "Moll Commodities Brief 2"
- ✓h. Situation Report by Det. Sen. Sgt. C. Netto (Quartermaine - Operation Edam)

- ✓i. Report of Independent Accountants Assisting Investigation (Operation Edam)
- ✓j. Braithwaite Report
- ✓k. Brief of Evidence - Moll: Conspiracy to Defraud
- ✓l. File marked "Marshall-Wilson" containing various loose documents.
- ✓m. File containing correspondence, reports relevant to Murphy J. enquiries/operation Edam.

Document received from Detective Chief Inspector A. Wells, Sydney.

- ✓n. Lever Arch Folder containing documents relevant to the Groux Enquiry.



ALLEGATION NO. 15

Particulars of Allegation

*drawn but to end up  
not served due  
of commission. CP*

The Honourable Lionel Keith Murphy, on or about 20 April 1985, and whilst a Justice of the High Court of Australia, supplied to Pamela Whitty, secretary to Rodney Groux, photocopies of diaries belonging to Clarence Briese, in order that further copies might be made and retained by Groux. The Judge knew that the copies which he had in his possession had been made at a time when the diaries had been subpoenaed by his legal advisers in or about June 1985, during the course of his trial before Cantor J. and a jury in the Supreme Court of New South Wales. The Judge also knew that Cantor J. had during the trial, ordered that the Judge's legal advisers could have access to the diaries, but had made no order authorising the diaries to be photocopied, or distributed to any person other than the Judge or his legal advisers.

It will be contended that this conduct by the Judge amounted to misbehaviour within the meaning of Section 72 of the Constitution in the following respect -

Contempt of Court

As such it constituted conduct contrary to accepted standards of judicial behaviour.



ALLEGATION RE RODNEY GROUX

ALLEGATION NO. 15

Enquiries in this matter commenced on the week commencing Monday 21st July 1986 which included familiarisation of aspects involving the allegation. This allegation involves a number of witnesses who have been interviewed on a number of occasions by officers of the Australian Federal Police.

On Friday 1st August 1986 Mr Myers and I were in Canberra and we interviewed Mr Tony Luchetti, who at the relevant time was employed by the Minister of Sport and Recreation, Mr John Brown, as a consultant. Mr Luchetti stated that he went to Sydney with Mr Groux on the 21 August 1985 and was told by Mr Rodney Groux that they had been given a job to help Mr Justice Lionel Murphy in his current court proceedings. Mr Luchetti in fact was given copies of the Briese diaries by Mr Groux and was asked to submit a number of telephone numbers and to later enquire into who's telephone numbers those related to. He was not told who's diaries they were and he indicated to us that he thought that they must have been obtained by way of some legal procedure in the court.

Mr Luchetti said that he thought twice at the time about the instructions given by Groux and he had better confirm their position as employees of Mr Brown in connection with helping Mr Murphy at the time.

On the following Monday Mr Luchetti approached his superior Dr Klein, of the office of the Minister of Sport and Recreation and asked whether he or Mr Groux were working for Mr Murphy. Dr Klein stated to him "no" and that no such work should be carried out.

Mr Luchetti then stated to us that no further action was taken in regard to any telephone numbers that he had from the copies of the Briese diaries and in fact no information was gathered as to the telephone numbers there in listed. He further commented that as far as he was concerned Mr Groux had worked for Mr Murphy for no longer than about two weeks. It was also his impression that Groux had approached Mr Murphy on a personal basis and he offered his services to Mr Murphy if they were required.

Mr Luchetti also added that Mr Groux was not a character of confidence and it was unlikely that any major investigations were undertaken by him.

On Friday afternoon of the 1st August 1986 Mr Peter Myers and I interviewed Mrs Pamela Whitty. Mrs Whitty was secretary of Mr Groux for a period of about two to three months from July 1985 to September 1985. Mrs Whitty explained to us that on 20th August 1985 she was asked by Mr Groux to collect certain papers from the residence of Mr Justice Lionel Murphy. She recalled this date particularly as it was her daughters birthday and at the time she recalls that she was out looking for presents with her daughter for that occasion. Mrs Whitty recalls going to Mr Justice Lionel Murphy's residence at Redhill and entering the premises, firstly introduced by his secretary and then seeing Mr Justice Lionel Murphy personally. Mr Justice Lionel Murphy handed her photocopies of some documents in an arch lever folder he said to her "Do you know what you have to do with these". Mrs Whitty was shown, by us, copies of the Briese diaries and she identified those as being the documents handed to her by Mr Justice Murphy. She said to Mr Justice Murphy "Yes I've been told to take them, photocopy them and return them". He said "Yes that's right". This was the only conversation which took place. She then left his premises and then proceeded to an office of the Minister of Sport and Recreation, where a photocopying machine was made available.

She was sent to this office by Mr Groux as it was indicated to her that no one would be there and it would be an appropriate place to photocopy the documents. The documents were returned by Mrs Whitty the same day and she handed them directly back to Mr Murphy. He said "Thank you". There was only one other occasion that Mrs Whitty had any conversation with Mr Murphy and that was a couple of days after the Briese diaries incident and Mr Murphy asked to speak to Mr Groux while he (Groux) was in the office. Mr Groux said to me "Tell him I'm not in. I want nothing to do with him."

Mrs Whitty also commented that Mr Groux on occasions threw names around, he would say on occasions that he was going to Parliament for a few hours or speaking to Ministers for two or three hours: "you would not know whether he was telling the truth or not." Mrs Whitty did indicate to us that she recalled typing a letter to Mr Murphy concerning Mr Groux's willingness to investigate any matter on Mr Justice Murphy's behalf. This was shown to Mrs Whitty by the Australian Federal Police and is attached herewith. Mrs Whitty further recalled that on a number of occasions persons from the Ministry of Sport and Recreation attempted to contact Mr Groux at his offices at Cinema Centre and she had been instructed by Mr Groux that should these calls be received she was to inform them that he was not in. As it was not to be conceived that he was working for the Minister of Sport and also some other party, which in fact was the case, re Cinema Centre.

### Conclusion

It is evident from the evidence received from Mrs Whitty and Mr Luchetti that Mr Groux had worked for Mr Murphy within a three week period, commencing approximately 19 August 1985. It would appear from Mr Luchetti's evidence that officers of the Department of Sport and Recreation were not aware of Mr Groux's activities at this stage. However we have not had the



opportunity to interview Dr Klein, the then supervisor of Mr Groux, nor other members of his section within that department.

Certainly Mr Luchetti gives the impression that Mr Groux was not a person of positive attributes Mr Luchetti did indicate to us, that, at the time he was enquiring about Mr Murphy it would appear that certainly Commonwealth vehicles and Commonwealth travel vouchers were being used for the purpose of investigating Mr Justice Murphy. However it is unlikely that either the Minister Mr Brown or any of his immediate staff were aware, at this stage, that this was being carried out.


It is very evident however that certainly Mr Justice Murphy had in his possession on the 20 August 1985 copies of the Briese diaries. This date would appear to coincide with his committal proceedings and are not documents in which he should have possession of. Mrs Whitty reiterates that she collected those diaries from Mr Murphy directly and returned the same documents after photocopying them on the same day.

The aspect which remains open is how Mr Murphy acquired these copies. However the limitations placed upon us have not established this aspect.

It is obvious, we believe that Mr Groux acted on his own behalf in representing Mr Murphy and that Mr John Brown knew nothing of Groux's actions during his time as an employee of the Ministry of Sport and Recreation.

It must also be stated that whilst we asked Mr Groux for an interview on Monday 4 August 1986, Mr Groux failed to attend on the pretense that he thought that the Commission would not be proceeding and he saw no worthwhile use being made with us at the time.

It is Mr Myers and my belief that this matter may indicate some breach of duty for a judge of the High Court in that he may have acquired certain material re the Briese diaries without proper authority of the court during his actual committal.

  
Mark Howard

8 August 1986

0191M

MEMORANDUM

ALLEGATION NO. 15 - THE BRIESE DIARIES

In my memorandum dated 28 July, 1986 I set out Cowdery's recollection of the events surrounding the Briese diaries.

His view was that the only opportunity for copying the diaries was at the committal when the diaries were produced. He thought that there had been no opportunity at the first trial since the diaries were inspected at Court. Further, he said that the Magistrate made it clear that the diaries were not to be taken out of Court and were not to be copied.

It is true that at page 53 of the transcript of the committal proceedings, dated 25 March, 1985, the following appears:

Mr Shand: There is still the question of access to the documents.

Bench: I'm sorry, I didn't deliberately overlook that. Any problems in Mr Shand having access to those documents produced by Mr Briese? Mr Briese seemed to have no objections even to the ones which said it might claim privilege. Alright, well, you might make those available. You will no doubt remain here while you're looking at them.

On the face of it, it might appear that it was therefore an order by the Magistrate that the diaries not be taken from Court and, by inference, not be photocopied. However it is apparent from later passages in the transcript that Mr Briese's diaries were neither the subject of a subpoena nor were then (25 March, 1985) in Court. This conclusion follows from what is said at page 82 of the transcript (26 March, 1985):

Q: Well, where is your diary, do you still have it?

A: I have both diaries in my office.

Q: Would it be possible for somebody to get them or what would be the best way...



Witness: I brought both diaries to my office this morning, that's the situation.

There is then a luncheon adjournment and at page 84 of the transcript (26 March, 1985), the following appears:

Q: Mr Briese, do you have your diaries there?

A: Yes I do.

It would follow that if it is the case that:

- i. the diaries were not copied during the course of the first trial but were copied during the course of the commital;
- ii. the diaries were not produced in answer to a subpoena; and
- iii. no order was made by the Court in relation to access to the diaries.

then it is impossible to see how any dealings with the diaries could constitute contempt of court.

The possibility would remain that there was some arrangement between either Mr Briese or his Solicitors on the one hand, and the Judge or his Solicitors on the other hand. It may also be that that arrangement was breached. It seems to me that whether or not there was any such arrangement and, if so, the facts and circumstances surrounding it should be ascertained.

I am told by Mrs Sharp that both the Solicitors at the office of the DPP who were involved in the commital are overseas and will not return until late September, 1986. Mr Rowe of the DPP suggests that Mr Wells of the AFP should be asked for his recollection as perhaps also should Peter Clarke of Counsel.

A Robertson

30.7.86

0161M

MEMORANDUM

On 28 July 1986 I spoke to N. Cowdery of Counsel who appeared for the DPP in the committal Proceedings and the two trials.

A number of points of interest emerged.

First, in relation to the McClelland perjury question, Cowdery told me that he and Callinan QC had spoken to McClelland shortly before the second trial in relation to rumours which had come to their attention via Richard Ackland of Justinian. These rumours were that Kristen Williamson had been told by McClelland that he had given untrue evidence at the first trial of Mr Justice Murphy and that McClelland had told Wendy Bacon of a number of conversations he had had with Murphy on the subject of Ryan's trial.

When this was put to McClelland by Callinan and Cowdery (but without names) the impression he gave, according to Cowdery, was that he would retract his evidence if he could. He certainly did not deny the rumours or appear surprised by them. Nevertheless, at the second trial, he repeated his evidence that he, McClelland, had approached Staunton J before Murphy J had done so and independently of Murphy J.

A copy of the note Cowdery made of the meeting with Ackland is attached. Also attached is a copy of Cowdery's note to me which mentions the meeting with McClelland.

Secondly, in relation to the call by Murphy J on Staunton J Cowdery told me that Staunton's firm view, which he formed after hearing Murphy J's evidence at the first trial, was that the approach was part of an attempt by Murphy and Foord J to get Flannery J, the judge allotted to the trial of Ryan, to act improperly.

Clearly it would be necessary here to take care to avoid the consideration by the Commission of the issue dealt with at the first trial in respect of the Flannery charge: see S5(4) of the Act.

Thirdly, in relation to the Briese diaries, Cowdery says the only opportunity for copying the diaries was a couple of days into the committal when the diaries were produced. There was no opportunity in the first trial since the diaries were then inspected at Court.

At the committal, says Cowdery, the magistrate made it clear at the end of the relevant day's sitting that the diaries were not to be taken out of Court and were not to be copied, (although Cowdery says the latter is less clear than the former)

The next morning the diaries were on the bar table with Shand Q.C. saying that he did not know how they came to be there.



Fourthly, in relation to Murphy J's evidence of his association with Ryan, Cowdery said it was his impression that Murphy J had tailored his evidence to conform to that which Ryan gave at the committal. Nevertheless the essence of the matter was the difference between Murphy J's evidence and unsworn statement of minimum contact, so far as he could recall, as against the Age tapes which showed not only constant contact but also, by the tone of the conversations, a close association between Murphy J and Ryan. In other words it is a matter of impression which realistically could only be substantiated by proving the contents of the relevant portions of the Age tapes. As to the periods not covered by the Age tapes, assuming Ryan's evidence will be unhelpful, the suspicions could be substantiated only by proving the contacts between Murphy J and Ryan by a means apart from Ryan's evidence.

28 July 1986

A. ROBERTSON

0150M

SELBORNE CHAMBERS,  
4th Floor,  
174 Phillip Street,  
Sydney. 2000

Telephone: 231 4988  
D.X.: 531

28<sup>th</sup> July 1986

Alan

My memory continues to deceive me -  
it was of Auckland's conversation that I made a  
note (enclosed), not of McClelland's.

In summary:

1. Auckland telephoned me with the information  
noted.
2. Callinan QC & I saw McClelland about  
a week before the trial commenced (on  
about 9.4.86) when his reaction was as  
I described it to you. All the allegations  
on the note were put to him in the  
course of conversation, but not the names.

dygards,



---

RE: JAMES McCELLAND

1. (a) It has been suggested that in conversation with Wendy Bacon before the Senate hearings McCelland told her that Murphy had telephoned him a number of times asking him to intercede with Chief Judge Staunton on behalf of Morgan Ryan.

In one such conversation McCelland said to Murphy words to the effect:

"What do you want me to do - nobble Staunton?"

To which Murphy laughed sardonically and said words to the effect:

"Oh, we wouldn't want to do that, now, would we?"

- (b) After giving evidence in the Murphy case, McCelland was again spoken to by Bacon who asked him about his evidence and what he was going to do about it. McCelland replied:

"What can I do about it? I don't want to be another Kerr".

2. It has been suggested that at a 1985 Christmas party McCelland, apparently "a little tired and unwell", was discussing the Murphy case and his evidence. He commented:

"There's nothing much I can do about it. I don't want to be shown to be a perjurer".

Kristen Williamson was present at the time.



Mr Wilson Tuckey MP  
GPO Box B58  
Perth WA 6000

Dear Mr Tuckey,


I am instructed by the Presiding Member of the Commission to  
acknowledge receipt of your letter of 22 July 1986 and  
attachments.

Yours sincerely,



J F Thomson  
Secretary

25 July 1986





# Australian Federal Police

## Minute Paper

Received from Detective Acting Sergeant B. KNIBBS, NCIB, Canberra on the 22.07.86, the following:

### AGE TAPE ENQUIRY

- a. VOLUME - Original Running Sheets.
- b. WORKING FILE - Volume (I)

### KOREAN IMMIGRATION ENQUIRY

- a. VOLUME (I)

### RODNEY GROUX ENQUIRY

- a. VOLUME - Original Running Sheet
- b. VOLUME (I) - Original Statements
- c. VOLUME (II) - Original Statements
- d. VOLUME (I) - Original Documents
- e. VOLUME (II) - Original Documents
- f. VOLUME (III) - Original Documents
- g. VOLUME - Briefing Papers, Reports, Correspondence

SIGNED:.....



PARLIAMENT OF AUSTRALIA  
HOUSE OF REPRESENTATIVES

RECEIVED 25 JUL 1986

G.P.O. BOX B58, PERTH, W.A. 6001  
COMMONWEALTH PARLIAMENT OFFICES  
ST MARTINS TOWER  
44 ST GEORGE'S TERRACE  
PERTH, W.A. 6000  
TEL. 325 4077

WILSON TUCKEY, M.P.  
MEMBER FOR O'CONNOR  
OPPOSITION SPOKESMAN FOR  
SMALL BUSINESS AND  
ADMINISTRATIVE SERVICES

22 JUL 1986

The Hon Sir George Lush QC  
Presiding Officer  
Parliamentary Commission of Inquiry  
8th Floor  
ADC House  
99 Elizabeth Street  
SYDNEY NSW 2000

Dear Sir George

During your deliberations upon the conduct of the Hon Lionel Keith Murphy, and the matter of his possible misbehaviour within the meaning of Section 72 of the Constitution, I draw your attention to the enclosed Press Articles written by Mr Jack Waterford of the Canberra Times.

Mr Rodney Groux has also contacted me personally and handed me photo copied documents in the presence of a witness, which he claimed were copies of the personal diaries of Mr Clarrie Briese.

I arranged for the handing of these documents to the Federal Police (Constable Brad Street on behalf of Chief Inspector Andy Wells) on the 23 April 1986 and presume they still have them.

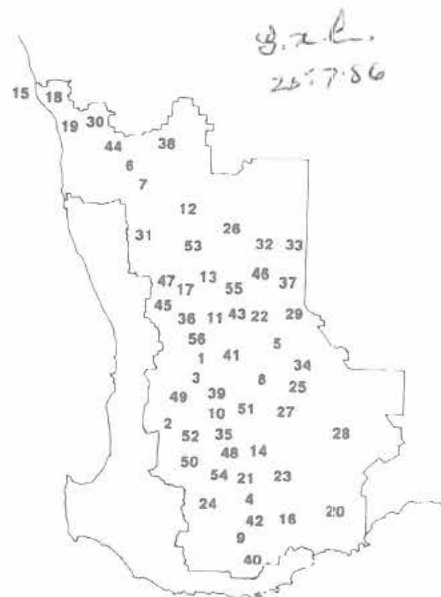
My own enquiries have not established how Mr Groux or any other person could have obtained these diaries in photo copy form. Particularly at the time Mr Groux claimed they came to his possession.

I understand the Federal Police have interviewed Mr Groux and at least one other person on when he claims to have been involved and that written statements were made.

Yours sincerely

WILSON TUCKEY MP

THE ELECTORATE OF O'CONNOR covers the following local government areas: 1 Beverley, 2 Boddington, 3 Brookton, 4 Broomehill, 5 Bruce Rock, 6 Carnamah, 7 Coorow, 8 Corrigin, 9 Cranbrook, 10 Cuballing, 11 Cunderdin, 12 Dalwallinu, 13 Dowerin, 14 Dumbleyung, 15 Geraldton, 16 Gnowangerup, 17 Goomalling, 18 Greenough, 19 Irwin, 20 Jerramungup, 21 Katanning, 22 Kellerberrin, 23 Kent, 24 Kojonup, 25 Kondinin, 26 Koorda, 27 Kulin, 28 Lake Grace, 29 Merredin, 30 Mingenew, 31 Moora, 32 Mt. Marshall, 33 Mukinbudin, 34 Narembeen, 35 Narrogin (Town and Shire), 36 Northam (Town and Shire), 37 Nungarin, 38 Perenjori, 39 Pingelly, 40 Plantagenet, 41 Quairading, 42 Tambellup, 43 Tammin, 44 Three Springs, 45 Toodyay, 46 Trayning, 47 Victoria Plains, 48 Wagin, 49 Wandering, 50 West Arthur, 51 Wickepin, 52 Williams, 53 Wongan-Ballidu, 54 Woodanilling, 55 Wyalkatchem, 56 York.



## The life and times of Rodney Groux

*Sydney Morning Herald 1/5/86*

The following is the full text of the summary of points made about Rodney Groux by Ms Stephanie Forgie, Departmental Liaison Officer in the Office of the Attorney-General, Mr Bowen, to the Prime Minister, Mr Hawke, in Canberra on Monday, August 26, 1985. Mr Hawke tabled a copy of the document in the House of Representatives yesterday.

- Groux is a very active police informer and a con man with a long history.

- The police who have been handling him as an informer (both at the Victorian and Federal level) say that he is a thorough crook. He lives mainly by informing and would sell anything for money.

- He has no convictions but in 1978 was charged with theft by deception. The charge was dismissed on the grounds that he intended to give the money back.

- He was charged with conspiracy over the meat scandal but discharged.

- He is involved in several undischarged bankruptcies (sources impeccable).



Rodney Groux ... concern about his role.

- There is an extreme amount of consternation that he could be in a minister's office.

- There is no knowledge as to how Groux came to have connections in New South Wales. His parents came from Queensland and he was educated in Victoria.

- He has been employed as a meatworker — apprenticed as a master butcher, a meat inspector. He has been a weights and measures inspector and a car salesman (Neil Neilsons at Fern-tree Gully). He has been in partnership with Rutherford.

## No growth in it for Liberals

By ROD FRAIL

The Opposition went into Question Time yesterday, thinking they were on a winner with the controversy over Mr Rodney Groux, a former staffer of the Minister for Sport, Mr John Brown, who had helped Justice Lionel Murphy prepare his case.

As they filed out they must have wondered what went wrong.

Even the Opposition's shock trooper, Mr Wilson Tuckey, looked a little shocked.

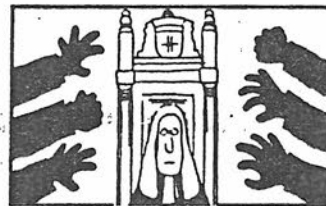
The expectation of a good day for the Opposition came from yesterday morning's *Canberra Times*, which had a front-page article quoting Mr Groux as saying he had helped Justice Murphy while on the government payroll and with Mr Brown's full knowledge.

This seemed to be in conflict with what Mr Brown had told Parliament on Tuesday.

Every Opposition question bar one went to Mr Brown. The other was to the Prime Minister.

As one wit said: "The story just Groux and Groux."

Mr Brown was prepared to suffer some embarrassment, for



**FROM THE GALLERY**

the greater good of extricating himself and the Government from a potentially sticky situation.

As each example of what Mr Brown described as Mr Groux's fantasies came out, Mr Tuckey responded: "We knew that."

But it was said in much the same way as a boxer who has just been stunned by a stinging blow saying: "That didn't hurt."

Perhaps not all questions raised in the affair have been answered but, as a parliamentary performance, it clearly did hurt the Opposition and Mr Tuckey, who led the questioning with good results in past weeks, was set back on his heels.

Finally, the Opposition Leader,

Mr Howard, asked Mr Hawke about the Groux affair. "I thought that I was never going to be asked," he replied ominously.

One of Mr Groux's fantasies, he said, "really struck me badly".

Mr Hawke said: "Mr Groux is reported to have said that he did law with Hawke, that he came first and Hawke came second."

"That is a remarkable achievement in any circumstance," said our competitive leader, "but particularly remarkable when one remembers that this man is supposed to be 39 years of age. I commenced my law degree in 1947, so Mr Groux was outdoing me before the age of one year."

Apart from that, Mr Hawke said Mr Groux was an undischarged bankrupt, involved in the meat substitution scandal of 1981 and that he had been informed that "Groux is a very active police informer and a con man with a long history. The police who have been handling him as an informer, both at the Victorian and Federal level, say that he is a thorough crook."

That is what you call a comprehensive bucketing.

## NATIONAL AFFAIRS

# Government and Opposition about equal in Groux affair

## COMMENT



GREG HYWOOD

Underneath the dramatic character assassination of Mr Rodney Groux the Labor Government used to take the wind from the sails of the Opposition's attack on the Minister for Sport and Recreation, Mr Brown, lies a complexity of questions about the Government's hiring policies and the Coalition's desperation to make an impact.

Why, if as both Mr Brown and the Prime Minister, Mr Hawke, said yesterday, Mr Groux, a man who made his reputation with Labor as a whistleblower in the meat substitution scandal in 1981, had such a dubious background, was he hired in the first place? Where did the processing system breakdown?

And why, given the admissions Mr Groux made to the detail of some of the charges contained in the Government attack yesterday, did not the Opposition check the bona fides of their sources better?

Neither side of politics

came out of yesterday events with much to be proud of.

Yet despite the Prime Minister sully himself by involving himself in the dirty work (to the point of qualifying the dismissal of theft charges against Mr Groux and calling him a "crook" living in a "fantasy world") the credibility of Mr Groux as a source is now in question.

The fact that Mr Brown and Mr Hawke both revealed that Mr Groux had announced to a public meeting last year that Mr Lee Donnelly of Lend Lease had been appointed to the board of the Australian Institute of Sport when in fact no such appointment had been made, was enough to bring to a quick end any impetus the Opposition was obtaining.

The onus is now on the Opposition to make use of the information provided by Groux to prove their case that Mr Groux worked for the Justice Lionel Murphy for two months last year while on the Government payroll.

The Opposition is maintaining that Mr Groux's possession of the diaries of Mr Clarrie Briese, Chief NSW Stipendiary Magistrate, is proof of Groux's link with Justice Murphy. (Justice Murphy's lawyers had access to the diaries).

But the Opposition's prob-



Mr BROWN

lem is that like it or not, its case is inextricably linked to Mr Groux's credibility.

Essentially, it gets down to a question of why Mr Groux was asked to resign from his job as a consultant to Mr Brown.

Was it because, as Mr Brown and Mr Hawke claim, that the Prime Minister was notified by a member of his staff that Mr Groux had not fully declared his background (he did not declare he had been a bankrupt and had been up on criminal charges) when applying for his Government posting?

Or, was it as Mr Groux is telling his Opposition conduits, that it was because Mr Hawke found out he was working for Justice Murphy on Government time, that Mr Brown knew of this, and it was a choice between getting rid of the adviser or the Minister.

Clearly Mr Groux believes he was unfairly treated and has decided to give his version

of the story to the Opposition.

If Opposition leader Mr Howard and Mr Groux's Opposition contact, Mr Wilson Tuckey, cannot get much further, the Coalition will look at the best naïve, and at worst, incompetent. Opposition members were reeling at the strength of the Government's case yesterday.

Yet even if the Opposition gets no further with the story, the episode raises doubts about Labor's hiring policies at the very time the Minister for Trade, Mr Dawkins, is under fire for his handling of such matters.

The judgment about the Opposition's involvement in the matter has yet to be made, but already the Government looks naïve and incompetent.

Mr Groux was recommended to Mr Brown by Victorian left-wing backbencher Mr Peter Staples and the Minister for Local Government and Administrative Services, Mr Tom Uren.

Yet the flaws in Mr Groux's background only came to light months after he was hired.

The Government now knows the cost of inadequately scrutinising people who have done Labor a good turn in the past. That is the least possible damage which will accrue to the Government as the result of this seedy episode.



# Murphy 'defence worker a conman'



Mr Rodney Groux at Parliament House yesterday afternoon

THE Federal Government yesterday sought to discredit a former government employee who alleged he was working on Justice Lionel Murphy's defence case while employed as a consultant by the Sports Minister, Mr Brown.

The Prime Minister, Mr Hawke, and Mr Brown tipped a massive bucket on the man, Rodney Groux, branding him in Parliament as "a thorough crook", "a conman" and "a man who lives in a fantasy world".

The Government's stunning attack in Parliament came after the publication of a number of allegations by Mr Groux in the Canberra Times newspaper yesterday.

The basis of Mr Groux's allegation was that he had assisted Justice Murphy's case while acting as a consultant for Mr Brown and with Mr Brown's full knowledge.

Mr Brown flatly denied this though he conceded that Mr Groux had told him that he intended to do some work for Justice Murphy in his own time and Mr Brown had not prevented him from doing this.

It was during his time as a consultant to Mr Brown, between May and effectively September last year, that Mr Groux alleges he worked for Justice Murphy.

## Claims

Mr Groux claims that he spent the later part of August and part of September working almost exclusively in investigating material for Justice Murphy and reporting to him regularly in both Sydney and Canberra.

Mr Groux alleges that in the weeks he spent working for Justice Murphy he:

- Shadowed Chief Magistrate Mr Briese on a number of occasions.
- Spoke, sometimes using guises, to associates of Mr Briese to try to make some estimate of his character.

- Was given a copy of Mr Briese's personal diaries by Justice Murphy, including copies of police

By PETER LOGUE

records of interview with Mr Briese.

Parliament was told yesterday that Mr Hawke, on the receipt of certain information, had approached Mr Brown last August requesting that Mr Groux be dismissed.

Mr Hawke told Parliament that information had revealed that Mr Groux was:

- An undischarged bankrupt.
- Had been involved in the sale of donkey meat.
- Had once been charged with theft.
- Was "a very active police informer and a con man with a long history".

## Strong protest

Despite a strong protest from Mr Groux, he finally agreed to resign on September 13 last year and received a letter from Mr Brown, dated September 25th recording the minister's "sincere appreciation" of his work.

Mr Brown tabled some correspondence which claimed that Mr Groux, while working for him, had promised a job at the Institute of Sport to Lee Donnelly, the ACT director of the Lend Lease Junior Sports Foundation.

That job, on the Institute's board, had not existed.

Outside parliament Mr Brown said that Mr Groux's travel warrants were now the subject of a Federal Police investigation, as is an affidavit lodged with the police by Mr Groux.

Mr Groux conceded in an interview last night that his "disclosures" were related to his anger over that sacking.

## Glory-seeker's dreams of fame come to an end

THE dreams of Rodney Groux, ex-Minister consultant, sometime bankrupt and glory seeker, do-gooder came to a halt in Parliament yesterday.

His dreams saw him as a super-sleuth, exposing and uncovering high-flying criminal conspiracies.

But the man who had been a key witness in Australia's meat substitution racket in 1981 was variously described in Parliament as a con man, living in fantasy worlds and more to be pitied than abused.

The expose came after Mr Groux alleged in yesterday's press that he had helped Justice Murphy prepare his defence while he was on the Federal Government payroll.

He also alleged that his activities, including "shadowing" NSW Chief Magistrate Clarrise Briese, were done with the knowledge and approval of his ex-boss, Sports Minister John Brown.

Led by hatchetman Wilson "Ironbar" Tuckey, the Opposition wheeled out the meatworker's accusations, fully expecting to snare John Brown's hide.

But Opposition heckling slowed as details of Mr Groux's troubled past were reluctantly detailed by the Sports Minister and the Prime Minister.

Documents tabled in Parliament revealed that:

- Mr Groux was an active police informer and a con man with a long history.
- Police thought him to

By KERRI-ANNE WALS

be a "thorough crook".

- He had been a debtor three bankruptcy proceedings, one of which is still current.

- Although a Crown witness in the royal commission into meat substitution, Mr Groux himself had sold donkey meat which was later process and exported as mutton.

- He had appointed a Lee Donnelly, ACT Director of Lend Lease, Junior Sports Foundation, as director to the Board the Australian Institute Sport for six years - without the Sports Minister approval.

Mr Brown was forced write a letter to Mr Donnelly, offering "profuse apologies", saying he was "absolutely mortified" the matter.

## Australian reporters seized in Indonesia

— Page 3



## Fire at Soviet nuclear station

MOSCOW, Tuesday (Reuters-AP). — The Soviet Union has admitted that an accident at one of its nuclear power stations has caused a number of casualties.

And diplomatic sources in Moscow say the Soviet Union has asked a Swedish Government authority to help extinguish a fire at the stricken nuclear plant.

The Soviet Embassy in Stockholm approached the Swedish nuclear inspection authority for advice on handling a burning graphite reactor core, they said.

The official Tass news agency carried a brief report last night saying one of the reactors at the Chernobyl plant near Kiev had been damaged in the accident but did not say when it happened.

It said measures were being taken to help the injured and a government commission had been set up to investigate the cause of the disaster.

However, Soviet newspapers failed to report the accident today. Earlier yesterday, officials in Sweden, Norway and Finland reported that a wave of radioactivity was

‘...No work that Mr Groux may or may not have done for Mr Justice Murphy was done with any express permission from me and, as far as I know, in any time for which he was remunerated by the Government.’

— Mr Brown

‘During the time I was conducting these inquiries on Mr Murphy’s behalf, with Mr Brown’s approval, I considered I was carrying out my duties as a ministerial adviser. I frequently advised Mr Brown of my activities...’

— Mr Groux

# Murphy: new police inquiry

By JACK WATERFORD

A high-level police team is investigating how Mr Justice Murphy came into possession of a copy of the diaries of the chief Crown witness against him, the NSW Chief Stipendiary Magistrate, Mr Clarrie Briese.

The team is also investigating allegations by a former Federal ministerial consultant that he worked full time, while on the Government payroll, making investigations for the Murphy defence.

Mr Justice Murphy was acquitted on Monday of a charge of attempting to pervert the course of justice. The police investigation began last Thursday.

The former consultant, Mr Rodney Groux, has given police a copy of 1981, 1982 and 1983 diaries kept by Mr Briese, which, he says, were given to him by Mr Justice Murphy after he began assisting him from mid-August last year.

The Canberra Times holds a copy of the diaries. It also has other materials Mr Groux says were given to him by Mr Justice Murphy, including copies of police records of interview with Mr Briese.

Other materials in the possession of The Canberra Times show that reference was made to the work done by Mr Groux in a letter sent to a senior staffer at the Prime Minister’s office.

Mr Groux was, between May and November last year, on the staff of the Minister for Sport, Recreation and Tourism, Mr Brown.

In answer to a question in Parliament yesterday, Mr Brown said that no member of his staff, or any consultant, ever “with my approval or permission acted in any way to assist Mr Justice Murphy with his defence.”

In answer to a second question, Mr Brown drew a distinction between “know” and “approve”. He said Mr Groux had told him of being approached by Mr Justice Murphy, and he had told Mr Groux that he could do what he liked in his own time. So far as he was aware, none of Mr Groux’s work had been remunerated by the Government.

Replying to the Leader of the Opposition, Mr Howard, Mr Brown said, “I have assured the House and I will assure it again that no work that Mr Groux may or may not have done for Mr Justice Murphy was done with any express per-

## Minister’s adviser helped High Court judge by vetting Briese’s diaries

mission from me and, as far as I know, in any time for which he was remunerated by the Government.

But Mr Groux says that he asked and received the permission of Mr Brown to see Mr Justice Murphy after being approached by the judge, and that, on several occasions, he discussed with Mr Brown his work for the judge.

During the period in which he was doing the work, he did almost nothing else, and was being paid, and using travel warrants and Commonwealth cars while doing the work.

A letter to Mr Brown dated September 13, 1985, from Mr Groux, makes reference to “my work with Mr Justice Murphy”. It is understood that a copy of this letter was also sent to the Prime Minister’s office.

According to Mr Groux, he spent the later part of August and part of September working almost exclusively in investigating material for Mr Justice Murphy, reporting to him regularly in both Canberra and Sydney.

Mr Groux was an important witness in the 1981-82 Royal commission into the Australian meat industry, and, early in the development of the Murphy affair, in September, 1984, gave a statement to Senate investigators critical of a policeman who had earlier been involved in the meat inquiry and who later worked on aspects of The Age tapes.

In mid August, Mr Justice Murphy had invited him to his Canberra home. Before agreeing to go, Mr Groux says, he had rung his Minister and asked his permission, and had been told to go ahead.

They had discussed the case [at this stage, Mr Justice Murphy had been convicted at the first jury trial, but had not yet been sentenced]. Mr Groux says that Mr Justice Murphy told him that he believed the whole affair to have been a Liberal Party conspiracy, directed primarily against the Prime Minister, Mr



Mr Justice Murphy



Mr Briese



Mr Brown

Hawke, and the NSW Premier, Mr Wran, in which he had become the meat in the sandwich. The major conspirators, Mr Murphy believed, were a senior NSW Liberal Party person and a Sydney legal firm which had been strongly opposed to him since, as Attorney-General a decade before, he had pushed for national compensation legislation.

“Murphy was bitter that Hawke should have helped him, but had not”, Mr Groux said. “He sang the praises of [Mr James] McClelland and [the Minister for Foreign Affairs, Mr] Hayden.

“I repeated to him that I came with ministerial approval, and made it clear that Mr Brown had supported him. “I said that my particular background might mean that I could help him. That night he became very emotional. At several stages he hugged me.”

Later, Mr Justice Murphy had shown him the diaries, Mr Groux said. They spent a long time discussing particular entries, and, later, Mr Groux had taken

the diaries away and had them photocopied.

Mr Groux says that he flew to Sydney on August 19 and spent the next few weeks investigating leads provided by the diaries and other materials, frequently referring back to the judge. On occasions he had the assistance of another ministerial staffer, Mr Tony Luchetti.

Among things which he said he had done were:

Shadowed Mr Briese on a number of occasions.

Spoken, sometimes using guises, to associates of Mr Briese to try to make some estimation of his character.

Begun, then cancelled attempts, using acquaintances with access to Telecom records and Social Security files, to trace a number of persons referred to in the diaries, or whose telephone numbers were listed.

A key episode involved an occasion when, after an arrangement with a NSW Minister, Mr Groux says he was given

some assistance by two men whom he took to have been NSW detectives. They had investigated bookings at a restaurant frequently referred to in the Briese diaries, and a bank account maintained by Mr Briese.

On another occasion, Mr Groux says he tape-recorded part of a legal argument, in interlocutory proceedings in the NSW Supreme Court involving the judge after the trial, and had given the tape to him.

Mr Groux says that he was on normal salary and expenses, and made use of travel warrants and Commonwealth car entitlements for much of his work.

“During the time I was conducting these inquiries on Mr Murphy’s behalf, with Mr Brown’s approval, I considered I was carrying out my duties as a ministerial adviser”, a statement by Mr Groux prepared in the Sydney office of the Director of Public Prosecutions says.

“...I frequently advised Mr Brown of my activities and location.”

In late August, Mr Groux says, Mr Brown asked him to resign, saying that the Prime Minister had requested it. The Prime Minister was said to have been concerned that Mr Groux had not, on being employed, made an adequate statement of his past financial history — which included the fact that he had previously been bankrupt.

Mr Groux considered he had made a full disclosure, referring to a number of letters involving a number of ministers in which reference had been made, as well as to the fact that he had discussed it in several newspaper interviews. However, he says, he wrote a letter of resignation.

Soon after, however, he reconsidered, and withdrew his resignation, saying he had made full disclosure and that his affairs could not embarrass the Government.

In a letter to the Minister dated September 13, he defended himself and his work, making reference to his work on the Murphy case, and asked that the Prime Minister reconsider his attitude.

A copy of the letter was sent to the Prime Minister’s office, and a telex was sent to one of Mr Hawke’s advisers, asking his help.

However, on September 20, Mr Groux formally resigned, his resignation, by agreement, taking effect from November 1.

Mr Groux says that he stopped work on the Murphy case after the resignation, although on several occasions afterwards, the judge rang him and asked him to continue.

When Mr Groux left Mr Brown’s employ, Mr Brown wrote him a strong reference in which he strongly praised Mr Groux’s work for him.

In the House of Representatives Question Time yesterday, the “shadow attorney-general”, Mr Spender asked, “Did the Special Minister of State [Mr Young] provide to or procure for Mr Justice Murphy documentary material for the purpose of assisting him in preparing his defence to the Briese charge? If so, what was the material?”

Mr Young replied, “Let me make it quite clear: under no circumstances did I provide any of the material referred to by the Honourable Member to his Hon. our Justice Murphy. The only thing offered to Justice Murphy was my best wishes.”

## Wran ‘would like to sack’ Briese



# The whistleblower's life sentence

THE AGE, Friday 14 September 1984

**'It's too difficult for me to say to anyone that they should step forward because the consequences can be bloody horrific . . . You can't get back to a normal lifestyle'**

By MARGOT O'NEILL

LAST year Rodney Groux was going to disappear without a trace. He and his family were going to pass through a sort of secret, bureaucratic two-way mirror. The Federal Police were considering a new identity for him to secure an anonymous future safe from death threats.

That is what can happen in extreme cases to a whistleblower, to a person who informs police or other authorities of corrupt practices which may involve friends, colleagues, bosses or crooks.

Mr Groux's shaking hands, blotched back and coiled-spring mannerisms testify to the role he played in exposing Australia's meat substitution racket two years ago and the consequences he has suffered since. It was a scandal which involved the widespread substitution of kangaroo, donkey and horse meat for beef. It threatened Australia's multi-billion dollar meat export industry — the United States even suspended Australian meat imports for a time. It led to a Royal Commission headed by Mr Justice Woodward and ultimately, more than 250 people were charged.

Mr Groux, 37, kept his name and even found a job in the mainstream of the Commonwealth Public Service, shaking off two years of intermittent employment as an insurance salesman but spent mostly in the shadowy world of an undercover crime investigator.

Just how a young butcher whose only goal in life was to wear the crisp white linen coat of a meat inspector came to need police protection for two years and be offered bribes of up to \$100,000 mystifies even Mr Groux when he looks back. He remembers the day when he heard the Federal police on the radio urging members of the public with any information on the racket to come forward. Ambitious, keen to make a name for himself but especially compelled by a crisp-white-linen-coat idealism, Mr Groux contacted the police and changed his life.

He spent hundreds of hours giving the police and the commission the background on how the meat industry operated; he met old colleagues "wired for sound" with tape recorders strapped under his clothes; and he became a witness for counsel assisting the commission.

In cocky moments, Groux brags it should have been called the Groux Inquiry such was his central role to its successful investigations. Others disagree, saying Mr Groux was one of many important witnesses. But then it was all over.

He had blown the whistle and the train had left — without him.

For a while it did not bother him. He thought that somehow he would be looked after, that he would receive some sort of financial compensation. He didn't. He snaps out phrases like "I didn't get a cracker" and "We were starving". He recalls wryly that authorities organised the dole for him, bypassing the long queue at the local CES office where he would have had to tell an incredible story: "Hi, I started out as butcher but my last job was as a police informer."

As well, he became bitter about the outcome of the inquiry in the belief that while a number of independent companies had been hooked, other bigger fish were ignored for political reasons. After all, at risk was the viability of Australia's primary industry and hundreds of thousands of jobs.

He was never paid by the police although for about three months he was paid as a technical adviser to the commission. That would not have come to more than \$5000, he says.

"What happens when the train goes? Nothing. My father wouldn't talk to me because I was a lagger. I'd go out to the bistro with my wife for a meal and some smart-arse would say: 'Hey, that's the guy who lagged to the meat inquiry.' You'd go to the zoo with the kids and be edgy not about a bloke with a knife but of the bloke who might come up to you and thwack," he says, crunching his fist into

his hand. "You'd go out driving and always be looking over your shoulder — I don't know if that's paranoid or sensible. I probably became a bit paranoid."

"There should be some kind of compensation. I'm not talking about indemnities or anything but a set system to cover your losses. The Government should draw up guidelines. I've always thought they owe."

Mr Groux wants to fight a compensation case, the first of its kind, to set a precedent for "those that follow me". But he has not got much faith in politicians, having knocked on many doors when he was down and out. "They didn't want to know about me."

Except one, to whom Mr Groux is eternally grateful. In a last desperate bid, he knocked on the door of his local Federal member, Peter Staples, the member for Diamond Valley in Victoria. "He's not your average politician, he's an average bloke on the street who really does care. This guy took me on when no one else would listen to me. I had to borrow \$100 off him to pay my telephone bill. He would drive me and the wife around."

If Mr Staples restored some of Rodney Groux's faith in humanity, Mr Groux is still full of explosive frustrations which tumble out in pugnacious fast-talk. He is obsessive, insecure and constantly hyped-up. He consumes streams of coffee and cigarillos, which does not help his arrhythmic heartbeat, his psoriasis —

a stress-related skin disorder — or his inability to sleep without pills.

In many ways, before the Royal Commission, Mr Groux's story is that of a working-class youngster who as a 15-year-old apprentice butcher wanted more. By his early 20s he had married, begun a string of adult education courses and passed a course to become a meat inspector. It was a dream come true and he was wide-eyed and very keen, too keen. "I believed in what we were taught. I believed in the importance of meat inspectors. But what I saw left a lot to be desired. Even the system wasn't right."

Mr Groux says there was entrenched small-scale malpractice, with gratuities for meat inspectors who were under pressure not to hold up business by condemning too much meat. He remembers working around banging their knives on metal benches every time he stopped the meat chain. They wanted to give him a button for Christmas because he was always pushing one to stop the chain. He was moved from one job because he condemned too much meat.

But everything would change radically when officials from the United States Agricultural Department came through. On those days, meat inspectors stopped the chain all the time and everyone worked a full day.

According to Mr Groux this was the basis on which more serious corruption was comfortably grafted. He became dis-

illusioned and left. He held a variety of jobs in the meat industry before returning as a country meat inspector some years later. The second time round he admits he was no longer "strict and hard". By this time he was more interested in developing his own meat empire, which eventually overran his job as an inspector, led to the break-up of his first marriage and near-bankruptcy.

Mr Groux then became involved with a meat company in the Northern Territory and, by the way, Aboriginal land rights. It is still a passionate commitment. He also began seeing serious corruption, meat substitution at first hand. It

sickened him but he did not do anything about it. He denies that he was actively involved. The most he could have been charged with was "knowing about it," he says.

He also did a stint attached to the US Agricultural Department in his capacity with the Primary Industry Department. He saw just how endemic meat substitution was. He got out of the meat industry after 17 years.

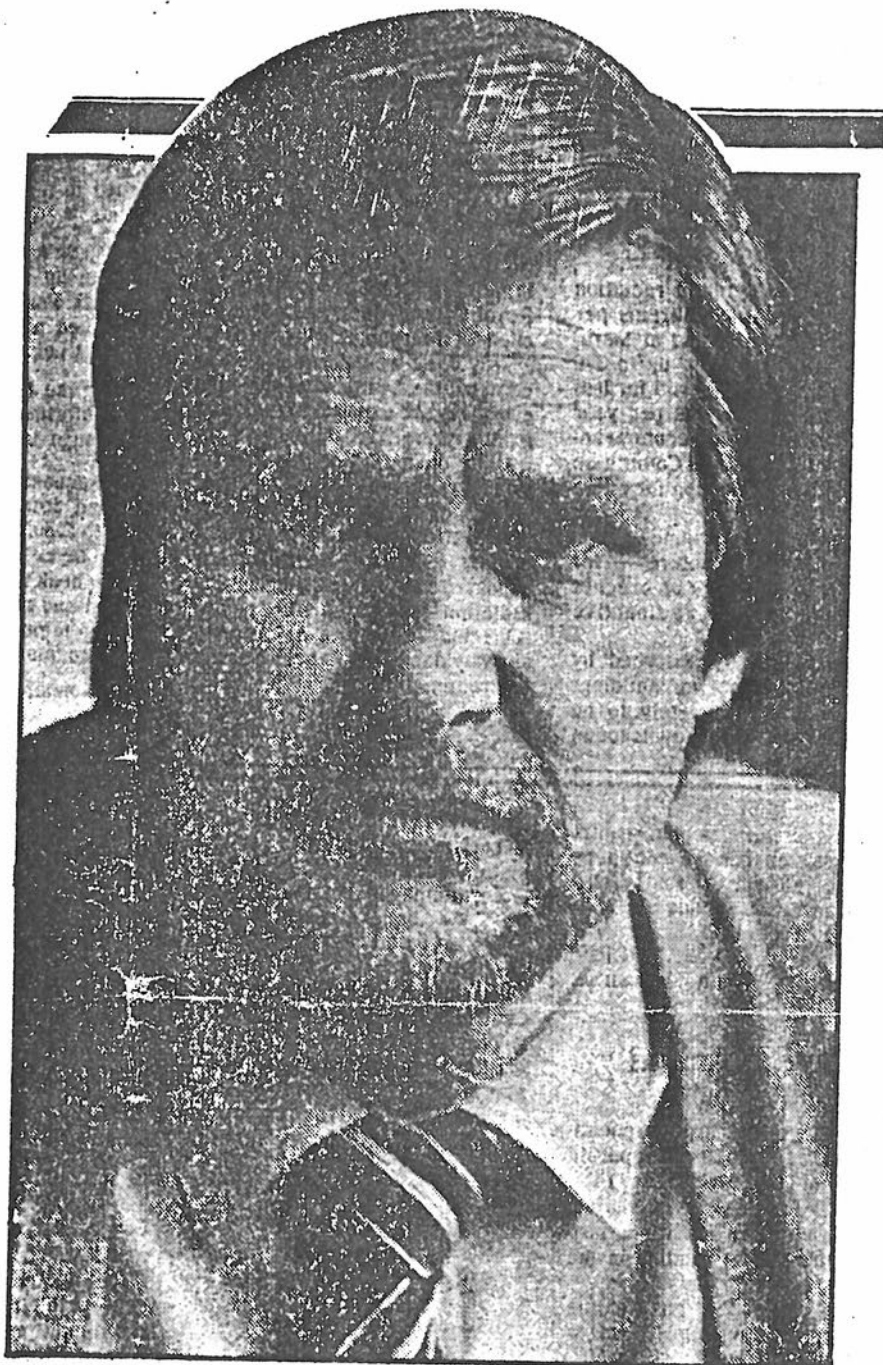
Why did he not do anything then? "No one would have listened to me so why worry about it? No one gave a stuff. I would have been a voice in the wilderness." He went on to various other jobs

but by now the bright career of the young butcher had well and truly foundered.

Meanwhile in the United States in 1981, an American institution was also suffering an unexpected shock. Kangaroo meat imported from Australia was found in hamburgers. The floodgates opened. A joint Federal/Victorian police task force was established to investigate the extent of the home-grown corruption.

Mr Groux says he came forward because "I honestly believed I could help clean up the meat industry". He had no idea of the consequences and he "didn't give a damn". It was the wide-eyed, geed-up Groux in full flight again and he was keen, too keen. He poured everything he had into helping the inquiry, mangling his family's economic stability with near-bankruptcy for the second time.

But for a while he was in there, up there, doing what he believed was the right thing, this time supported by a team of dedicated investigators who had faith in him.



Rodney Groux: "I'd do it again. I'd like to go down in history as the man who helped to clean up the industry."

He is uncomfortable with some of the work he did for the police; one instance involved entrapping a former friend.

When it was over he was blackballed by the meat industry and he could not get a job doing what he was best at. He picked up odd jobs selling insurance, although he admits he "couldn't sell ice to Eskimos". He drifted into undercover crime investigation, in one way the only opportunity that was presented to him but in another drawn to it because he had clearly succeeded before. "I didn't know where to turn. I lost my self-respect, my drive. I was disappointed with the end result of the inquiry because the achievement wasn't there."

Depression set in. Sometimes he says he wished he had taken the \$100,000 bribe, been charged and gone to jail. He might be out now. Instead he has got what he calls "a lifetime sentence". But then he recants. "No, that's silly. That's not how I feel. I'd do it again. I'd like to go down in history as the man that helped to clean up the industry. Even though crooks are still there it's now 99 per cent clean."

And he has advice for any others who may come forward with tales of wrongdoing, cover-ups or corruption. "It's too difficult for me to say to anyone that they should step forward because the consequences can be bloody horrific. But if they do they must be prepared for the consequences to change their lifestyle, and test their friends and family. You can't get back to a normal lifestyle. The Government must assume the responsibility of caring for such people."



Former ministerial adviser stands by his allegations

# Groux savaged by Hawke

OK TIMES 1/5/86



Mr Rodney Groux

## Questions still unanswered

By JACK WATERFORD

Was Mr Rodney Groux given copies of Mr Briese's diaries by Mr Justice Murphy? Indeed, were the diaries Mr Briese's? Did Mr Groux work, virtually full time, while on the government payroll, investigating matter for the Murphy defence? And did his employer know of it?

These were the central issues raised by the report in *The Canberra Times* yesterday.

Yesterday, the Government made a massive attack on Mr Groux's credibility, accusing him of being a con-man, a crook and a cheat, and — though by his erstwhile employer's admission a person who had shown courage and honesty, at his own cost, in the Meat Substitution Royal Commission and in relation to irregularities at a Commonwealth Hostel — a man now given to flights of fantasy.

Yet Mr Brown, though denying he gave Mr Groux permission to work on the Murphy affair during the Government's time, admits that Mr Groux told him he was doing work for Mr Justice Murphy (though Mr Brown says he had insisted that this be in Mr Groux's own time).

The evidence that Mr Groux was given the diaries by Mr Justice Murphy, or indeed that the diaries are those of Mr Briese, does not depend on Mr Groux. Investigating police have already confirmed these facts from other witnesses. Mr Justice Murphy's solicitors, in telling the NSW Premier that they obtained the diaries quite legally through the Supreme Court, implicitly confirm a transmission to Mr Groux.

In November last year, when I first began working on this story, Mr Tony Luchetti, another member of Mr Brown's staff who did some work on the affair, told me that Mr Brown had been aware of the work which he and Mr Groux had done.

Continued on Page 13.

The Prime Minister, Mr Hawke, launched a savage personal attack on a former ministerial adviser who says that he worked, while an adviser, in preparing materials for the Murphy defence, calling him a "thorough crook".

And the Minister for Sport, Recreation and Tourism, Mr Brown, for whom the adviser, Mr Rodney Groux, worked, alleged that Mr Groux "lived in a fantasy world".

Mr Groux says that during a part of August and September last year, while on the Government's payroll as a consultant to Mr Brown, he worked virtually full time investigating matters for Mr Justice Murphy's defence. The judge had been charged with attempting to pervert the course of justice.

Yesterday Mr Groux stood by his allegations.

Mr Groux says the prime materials he used were diaries belonging to NSW Chief Magistrate Clarrie Briese, the chief prosecution witness against Mr Justice Murphy, which he says, and which police have confirmed, were obtained from Mr Justice Murphy.

On Tuesday, Mr Brown said that he had known Mr Groux was working for Mr Justice Murphy, but had not given him express permission to do so, or in time remunerated by the Government.

Question Time yesterday was dominated by the report. But apart from repeating that he had told Mr Groux that what he did in his own time was his own business, and saying that if Mr Groux had done it in government time "that is news to me... and in direct conflict with the duties to which I had assigned him", the focus of the Government's defence was an attack on Mr Groux's character and credibility.

Mr Hawke read to Parliament from a document supplied to him by Ms Stephanie Forge, a member of the Attorney-General's staff, which described Mr Groux as "a very active police informer and a con man with a long history... a thorough crook... [who] lives mainly by informing and would sell anything for money... involved in several undischarged bankruptcies".

He also quoted allegations by the Inspector of Bankruptcy that Mr Groux had been involved in substituting donkey meat for mutton and selling it to a man called Hammond.

"The Opposition seeks to rely on the allegations of this man," Mr Hawke said. "The Australian Federal Police are examining this matter. I spoke yesterday with the head, Commissioner Grey."

"He has given me a preliminary report on investigations which have only recently commenced. He has told me that it is clear from those investigations to this point that there is no evidence to support allegations against a minister of the Crown."

Mr Hawke said that when he became aware of these materials, he had told Mr Brown to get rid of Mr Groux.

Mr Brown's attack on Mr Groux was more muted, praising earlier work Mr Groux had done as a whistleblower. He said that Mr Groux — "who I think is more to be pitied than abused" — had been the man who had blown the whistle on some cheats in the meat industry... "became a very credible witness, having turned Crown witness... he blew the whistle on a lot of cheats."

"I admired what he did... because of his honesty, because of his courage in that case, he was unable to obtain a job in the meat industry. Mr Justice Woodward recommended him as a witness of great honesty who showed great courage in coming forward."

By JACK WATERFORD

"As far as I was concerned, his credentials were impeccable. I gave him a job with the Commonwealth Accommodation and Catering Service here. He did a very good job for me over there, once again uncovering a few cheats."

"Because of the work he had done for me, which was of good order, I employed him as a consultant to do a specific task for me."

"...Mr Groux suddenly found himself — in his own mind, I am sure this is the case — in all innocence, in all honesty, in the vanguard of the fight against crime. He suddenly undertook to himself to be the arbiter of all decency in the community."

Mr Brown said that Mr Groux "descended into flights of fantasy". He undertook to himself all sorts of positions and all sorts of accolades.

He said Mr Groux had told a public meeting that Mr Lee Donnelly had become a member of the board of the Australian Institute of Sport — causing great embarrassment and humiliation to Mr Donnelly when — after about three weeks of receiving congratulations — Mr Donnelly discovered this was not the case.

"Members opposite have the hide and *The Canberra Times* had the hide to publish on its front page an affidavit of this doubtful witness," he said.

Mr Brown, asked to table documents showing Mr Groux's movements over the period when he said he was working for Mr Justice Murphy, said he was not prepared to do so because some of Mr Groux's travel over the period was under investigation.

Mr Groux, in a statement after, said the Government was throwing mud at him to take the pressure off itself.

He had been bankrupt between 1970 and 1975, and at the time he started work for Mr Brown, had entered into a deed of arrangement,

which had been discharged as soon as he was told it was a problem, as Mr Hawke had known.

"Much more importantly, Mr Brown knew, other ministers knew, Members of Parliament knew and the Press knew at the time I was employed about my financial history," he said. "Much of that history was because I was ruined by my participation... in the meat Royal commission."

"Of the meat inquiry, I was, as Mr Brown said, considered by the Royal Commissioner to be a credible and creditable witness. This was in spite of character assassination of a similar sort and covering some material similar to that used by Mr Hawke."

"But Mr Hawke is quite wrong in saying I had anything to do with Mr Donnelly's trial, or that he ever said I was a crook. I was a crook and had already been charged and dealt with before I came to the commission as a witness."

"I cannot believe that the Victorian Police gave me the supposed character reference of which Mr Hawke spoke. The chief person with whom I had dealings there, a senior inspector, affirmed to me and to others today his confidence in me and his rejection of what was said about me."

"I did make a fool of myself in relation to the Lee Donnelly matter, but not as Mr Brown described. I had lobbied for Mr Donnelly's appointment and Mr Brown had told me that he was going to make it. I announced it, unaware that the minister had changed his mind."

"I am not a con man or a crook. My history, as Mr Brown admitted, is of telling the truth when I saw wrongdoing. I have never taken any money for doing so, and the price I have paid, throughout, is to be subject to character assassination and financial disadvantage."

Mr Groux also completely rejected a statement by Mr Hawke that a charge against him of theft by deception in 1978 had been "dismissed on the grounds that he intended to give the money back".

Mr Donnelly, interviewed last night, said that some things which had occurred after the fiasco of the announced appointment inclined him to believe Mr Groux's account of what occurred.

He also rejected an assertion made by Mr Brown, in detailing the announcement Mr Groux had made, that Mr Groux had said he — Mr Groux — had been made chairman of the institute, ahead of the Deputy Prime Minister, Mr Bowen. (This statement by Mr Brown was also referred to in a letter, tabled by Mr Brown, from the director of the institute, Dr John Cheffers.)

What happened, Mr Donnelly said, was that Mr Groux, in announcing Mr Donnelly's appointment, had said Mr Donnelly had been preferred to a nominee of Mr Lionel Bowen's.

## NSW judges attack Wran's statement

SYDNEY: The Chief Justice of NSW, Sir Laurence Street, and seven other judges have written to the Premier, Mr Wran, protesting against his attacks on NSW Chief Magistrate Clarrie Briese.

The judges told Mr Wran that nothing merited in the Murphy trials which could justify any action against Mr Briese, according to sources.

Mr Wran, in his initial reaction to the verdict, said he could not forgive the people responsible for the Murphy family's ordeal and that his long-term

lack of confidence in Mr Briese had been reinforced.

Since then he has continued the attack, saying would like to sack Mr Briese but that he lacks the power.

Mr Briese maintained his silence on the issue yesterday.

Mr Wran rejected yesterday suggestions that the Murphy defence had used diaries stolen from Mr Briese to prepare their case, saying the diaries had been subpoenaed through the NSW Supreme Court.

Mr Justice Murphy's solicitors, Free-

hill Hollingdale and Page, had advised Mr Wran they had obtained the diaries quite legally through the NSW Supreme Court.

"The reality is the advice we have got shows the diaries were produced under subpoenas issued through the court in the Murphy trial," Mr Wran said.

"Why that should be made the subject of a mystery both here and in Canberra I don't know."

He also said that Mr Groux was in need of psychiatric treatment.

Anybody who relied upon Mr Groux

"should first of all subject him to a psychiatric report", Mr Wran said.

Mr Wran said the "mean spirited" Opposition could not accept the result of the Murphy trial.

"The Liberals don't seem to appreciate the fact that Mr Justice Murphy was acquitted and that the law should be allowed to take its course," he said.

He also denied that he had helped to collect evidence against Mr Briese and that any member of his staff had assisted in the preparation of Mr Justice Murphy's defence.

# Brown continues to pour scorn on former adviser

By JACK WATERFORD

The Minister for Sport, Recreation and Tourism, Mr Brown, continued his attack yesterday on one of his former advisers, Mr Rod Groux, who says that he worked, during the Government's time and on the Government's payroll, in making investigations for the Murphy defence.

Mr Justice Murphy was acquitted on Monday of attempting to pervert the course of justice.

Apart from Mr Brown expanding his allegations that Mr Groux lived in "a dreamland", two extra pieces relevant to Mr Groux's allegations emerged yesterday:

Mr Brown said that between August 26 and September 13 — a period during which Mr Groux says he was working on the Murphy case — Mr Groux "went to ground, and could not be found, despite repeated requests from me as to where he was".

And Mr Brown quoted from a statutory declaration from another of his staffers, Mr Tony Luchetti, said to have worked on the Murphy case, denying that he had done so, and denying my report of a conversation with him in a restaurant in November last year.

On Tuesday, Mr Brown said that Mr Groux had told him that he had been asked by Mr Justice Murphy for help on the case, and that he had told him that what he did in his own time was his own business. On Wednesday, he said that if Mr Groux had been doing his work in government time, "that is news to me [and]



if he did it, he certainly was doing it in direct conflict with the duties to which I had assigned him".

Yesterday, Mr Brown said he had first asked for Mr Groux's resignation on August 26 and that between then and September 13 he had been out of contact with Mr Groux.

In his statutory declaration, Mr Luchetti said that about the middle of August in Sydney, Mr Groux had told him "we have been directed by Hawke and Brown to help Murphy".

"On my return to Canberra, I checked with Mr Klein [Mr Brown's principal private secretary] to ascertain if in fact it was OK to do so. Mr Klein responded "definitely not".

"This was my only connection with Mr Groux in his alleged investigation of the Murphy case.

"In an article in *The Canberra Times* dated May 1, 1986, it is

alleged that I confirmed that Mr Brown knew of the Murphy investigations carried out on his behalf and on behalf of the Prime Minister by Mr Groux and myself.

"I categorically and emphatically deny any such conversation.

"To the best of my recollection, the only meeting I had with Mr Waterford and Mr Groux was towards the middle of November in Charlie's Restaurant where a number of matters were discussed. None of these matters, to the best of my recollection, covered the Murphy inquiry".

Mr Luchetti also said that over eight months' association with Mr Groux he had "come to the conclusion that he is either suffering from delusions of grandeur or what he has to say cannot be confirmed from the original source.

"The flights of fantasy included statements in front of witnesses that

He was the Prime Minister's right-hand man.

He has been a Member of the Victorian Parliament.

He and his secretary were to travel to the US, I was to travel to New Zealand, and he would solve the ANZUS problem on behalf of the Government. Indeed he asked his assistant to get her passport.

Following the meat inquiry, he lived in the US for two years.

He was a millionaire at the age of 25.

Continued on Page 3

The Luchetti lunch. — Page 3



# Thrilling performance from a parliamentary Furtwangler

IN THE CONTEXT of the mid-rate Disneyland of the proceedings of the House of Representatives, the accusation that someone outside the House is living "in a fantasy world" loses a great deal of its force. When the Minister for Sport, Recreation and Tourism, Mr. John Brown, said during yesterday's Question Time that Mr. Rodney Groux lived in a fantasy world, it was as though a known champion of dwarf-throwing had accused someone else of bizarre antics or as though Donald Duck had attempted to dismiss Ginger Mouse as nothing but a cartoon character. Late in Question Time, and for all of the Opposition's relentlessly promising questions put Mr Brown and Mr Groux I fallen on the stony ground of Brown's artful declarations of his own artlessness and his tales told in the sympathetic tones of a caring social worker (describing an unfortunate soul) of illustration of Mr Groux's alleged fantasy life, Mr Howard rose to ask a question to the Prime Minister.

A listless Mr Howard wondered, in whingeing tones, when Mr Hawke had first become aware that someone on Mr Brown's staff was involved in garnering things useful to Mr Justice Murphy and what was the substance of the matters Mr Hawke had raised with Mr Brown about Mr Groux last August.

Mr Howard's transparent misery was due, one supposes, not only to the fact that the Question Time had been such a flop for the Opposition but also because he had probably realised that it had begun to look as though the Opposition will soon have to resort, in Question Times, to having to ask questions about government policy.

His Opposition has never been very good at that and, alas, he has no-one on his front bench of lacklustre pansies who shows the kind of appetite for the fine detail of policy issues which the pugnacious Mr Wilson Tuckey has for the broad moralising sweep of the personal issues involved in the pursuit of Mr Dawkins and Mr Brown. Mr

WARDEN  
in the  
Gallery



Tuckey is a one-man Opposition and he reminds me, in a perverse way, of Boxer the muscular and energetic horse in 'Animal Farm' who in his Stakhanovite zeal and industriousness sometimes seemed to be a one-horse farmyard. When Mr Tuckey, figuratively speaking, is relegated to the knacker's yard by the lack of anything personal for the Opposition to pursue, the intellectual weediness of the sheep and pigs and geese of the Opposition will loom large again.

Mr Hawke rejoiced that he had got a question at last because, as it happened, he had to own up to "something of an animus in this matter" because, he alleged, one of the fantasies that Mr Groux has been wont to indulge is the story that he and Mr Hawke were at law school together. According to Mr Hawke, Mr Groux's ver-

sion has it that Mr Groux finished first in law and Mr Hawke only came second.

Mr Hawke said that, while it was sufficiently fantastic to imagine that anyone might surpass him academically, this fantasy was lent another dimension by the fact that Mr Hawke had begun to study law in 1947 at a time when Mr Groux, 39 years old now, would have had to have been an extraordinarily precocious one-year-old.

In spite of his obvious delight in spelling out, in that instance, that example of Mr Groux's alleged appetite for fantasy, Mr Hawke went on to say, licking his lips, that he took "no pleasure" in having to recite the evidence that Mr Groux's past and personality were not a solid rock for the Opposition to have built a case against Mr Brown upon.

The bliss that he plainly did derive from the activity was from the proof he said it offered that "this miserable and increasingly despised Opposition... whose habitat is the gutter" was reduced to relying upon the unreliable.

Mr Hawke's readings, from

various official sources, had it that Mr Groux was "a con man with a long history" and "a thorough crook", an occasional bankrupt, a police informer and even, perhaps the most damning of all, had been "a car salesman".

Mr Hawke, working himself into one of those controlled frenzies during which he becomes transfigured and takes on a certain thespian magnificence, came to the end of his wart-covered portrait of Mr Groux and, turning to the Opposition, asked, "Don't you understand, you silly fellows, the sort of person that you're dealing with?"

The Opposition's reliance on Mr Groux to give it scandal material, Mr Hawke yodelled, stamped it as "the worst Opposition in this country's history".

"Here we are," Mr Hawke told us turning to the Labor ranks and making a fine imitation of a demonstrative orchestral conductor manipulating his choirs during the performance of a great oratorio, "yesterday and today, have we had one question about the economy?"

"No!" roared the choir on cue.

"Have we had one question about any matter which goes to the welfare of the people of this country?" the maestro asked.

"No!" the choir roared again.

"Of course we haven't," raved this parliamentary Furtwangler. "Reduced by their own intrinsic incompetence, they get down into the gutter and grovel with people of this calibre. Is it any wonder [to the Opposition] that you're going down and down and down as you will continue to do until such time as you get principles and a decent leader and concern yourselves with the issues of this country and [his voice retaining its triumphant note as he chose the moment to bring down the curtain on a concert in which he had been the star.] I ask that further questions be placed on the notice paper!"

In the public galleries people broke into spontaneous, and I suspect quite apolitical, applause for one of the most thrilling pieces of acting since Paul Robeson's 'Othello'.

# 'Hit-man' in Groux row

## PARLIAMENT ROCKED BY SAVAGE PERSONAL ATTACKS

The Federal Opposition's 'hit-man' vowed today to continue to support the man the Prime Minister, Mr Hawke, has labelled a "con-man" and a "thorough crook".

Mr Wilson Tuckey is backing claims made by Mr Rodney Groux, a former consultant to the Minister for Sport, Recreation and Tourism, Mr Brown, that during working hours he helped in the defence case of Mr Justice Murphy.

Parliament has been rocked by the savagery of attacks on people during recent days.

But while the unprecedented character assassination of Mr Groux stymied the Opposition, it did not answer all the questions:

- Did Mr Groux work for Mr Justice Murphy

during ordinary hours in August and September of last year at a time when he was supposed to be a full-time ministerial adviser to Mr Brown?

- Did he use Commonwealth cars and paid air fares?

### Vetting

- If Mr Groux was so bad, why was he employed as a \$30,000-a-year ministerial adviser to Mr Brown? How did he get through vetting procedures?

- Why did Mr Groux announce to a public meeting last year that Mr Lee Donnelly had been appointed to the board of the Institute of Sport? Mr Brown used, as a centrepiece of his attack on Mr Groux, the alleged totally-unfounded public announcement by Mr Groux.

Mr Groux steadfastly maintained today he did this because he had been told Mr Donnelly was to be appointed and said he was "bloody stupid" to have gone public.

- What is the credibility of Mr Groux (38), who Mr Brown said yesterday he

From John Arthur  
in Canberra

once admired for his honesty, courage and credentials?

Mr Tuckey vowed today that he would continue to probe the Government in question-time.

### Pursue

Mr Tuckey said: "We will pursue the Government on the grounds that they haven't answered any of the fundamental questions.

"It seems to be becoming clearer by the moment that the fundamentals of Mr Groux's allegations, namely that he acted to assist Justice Murphy in defending a Crown action, are true or at least certainly haven't been denied.

"Mr Brown has also failed, or refused, in fact, to lodge documents requested by the Opposition which would prove the activities and movements of Mr Groux during the period which he claims to have been working for Mr Murphy."

# Brown continues to attack Rod Groux

Page 1

In Parliament yesterday, Mr Tuckey (Lib, WA) asked Mr Brown if normal investigative procedures had been followed prior to Mr Groux's appointment as a ministerial consultant, and what the procedures were.

Mr Brown said Mr Groux had been a "perpetrator of some misdeeds" leading up to the meat substitution scandal but had come very highly recommended by Royal Commissioner Mr Justice Woodward for his courage in becoming a Crown witness.

"Apart from which, upon recommendations from the Honourable Member for Diamond Valley at that stage [Mr Peter Staples, now the Member for Jaga Jaga] and some other very highly respected people in the community I was prepared to give Mr Groux a job.

"And I must say the job he did for me at the Commonwealth Accommodation and Catering Service was first-class.

"When his contract ran out there, I was again approached to give him a job and I did."

The usual checks had been made ... "I proposed to the merit panel that Mr Rodney Groux should take a job on my staff as a consultant. His salary was in the \$30,000 bracket, it certainly was not in the high level of salaries paid to consultants."

He quoted from a Public Service Board minute which had said that Mr Groux appeared well qualified for a task of oversighting and providing advice on administrative and planning systems.

Mr Groux had started work in May. In July he had started to get "strange reports of his rather bizarre behaviour".

He had been contacted by a very prominent Parramatta man whom he was not prepared to name but whose name he would give to the Leader of the Opposition, Mr Howard, in confidence.

"This is the report I had from this gentleman: that Mr Groux worked for the PM and was on loan to Mr Brown, that the PM does not move without him, in fact he gives the answers to the Prime Minister at Question Time."

The Parramatta man wanted to set up a retirement village, Mr Brown said, and had asked Mr Groux to assist him in providing a submission.

"So Mr Groux told him that he arranged a \$3 million grant for the retirement village from Government and was to arrange another \$3 million at 5 per cent as a loan.

"He also told him that I was about to retire in Parramatta and that I wanted Mr Groux to be my replacement and the only thing he was concerned about was what ministry he would take.

"That he had been a MP in Victoria but he lost his seat due to a redistribution; that he owned Jet Set travel, Town House motel, butchers' shops and other business interests in

Canberra, that he was a Prime Minister.

Finally Mr Groux had invited this man and family members to Canberra for a weekend, saying he would pick them up in a bus on the Saturday morning.

"They were coming down for a day's sightseeing then, on the Sunday, they were having a barbecue at The Lodge with the Prime Minister as host.

"Now the poor man was sitting at home waiting for the bus to arrive."

Mr Brown said these embarrassments had come back to him and it was at that time he had sought Mr Groux's resignation.

Mr Brown gave Parliament another example of Mr Groux's "flights of fancy".

When in Sydney, Mr Groux used to stay at a "fairly cheap" Kings Cross motel and about 20 other people used to live there.

Apparently he had told these people he could get tickets for them to go and see the musical 'Cats' which had just opened in Sydney, Mr Brown said.

"Well, of course they were highly elated. One man even cancelled his holiday so he could be around to attend 'Cats' on the Wednesday night.

"Wednesday afternoon and they start frantically ringing my office. 'Where are the tickets?'"

To Opposition interjections Mr Brown said, "The man is living in a dreamworld."

Mr Brown said he then tried to get Mr Groux to resign, because it was very difficult to remove a consultant with a year's contract.

Mr Tuckey interjected and Mr Brown said, "You might laugh. I mean, you're in league with this poor, pathetic liar. I mean, you're a good double."

Mr Brown said he had supplied Mr Groux with a very carefully worded and guarded reference.

"Despite all of that, I did achieve a resignation from Mr Groux, which saved the Commonwealth paying out his contract which would have amounted to many tens of thousands of dollars, because by this stage he's been revealed as a fraud, quite different from the person whom I'd employed and who had supplied quite satisfactory service for some time.

"Now this morning... my phone in my office has rung hot with phone calls from all around Australia from people looking for Mr Groux because he owes them all sorts of money for all sorts of reasons and they haven't been able to find him.

"I'm getting a great mass of sworn statements which I will be supplying to the Federal Police.

"You are dealing with a man who is to be more pitied than calumniated — a man who's really gone off the planet. He's dealing in myths, lies, in exaggerations; the sorts of things that aren't rational behaviour."

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## PERSONAL ATTACKS

THE PRIME Minister, Mr Hawke, took full advantage of parliamentary privilege this week in his efforts to destroy the reputation of Mr Rodney Groux, the former ministerial staffer who says he has done work for Mr Justice Murphy while on the Government payroll. Some might say Mr Hawke abused parliamentary privilege by the ferocity of his attack, giving the impression that his tactics were to eliminate the charge by destroying the witness.

Neither Mr Hawke nor Mr Groux's former employer, the Minister for Sport, Recreation and Tourism, Mr Brown, has responded adequately to the questions first raised in *The Canberra Times*, about how Mr Groux received copies of the diaries of the NSW Chief Magistrate, Mr Clarric Briesse, the main Crown witness in the Murphy trial, and whether Mr Groux worked on Mr Justice Murphy's case in Government time. They have preferred to attack Mr Groux, Mr Hawke calling him a "thorough crook" and a "a con man" who "lived mainly by informing and would sell anything for money". Mr Groux has not asked this newspaper for payment for information or material, and no payment has been made.

According to Mr Brown, Mr Groux "lived in a fantasy world" and was a "doubtful witness", but he admits that Mr Groux played an admirable role for the Crown in the meat-substitution inquiry. Mr Brown had found employment for Mr Groux with the Commonwealth Accommodation and Catering Service before employing him in his own office as a consultant. The NSW Premier, Mr Wran, who has been criticised for his comments on the Murphy trial, used the privilege of State Parliament to suggest that Mr Groux needed psychiatric treatment.

It is strange that a man so abused should find employment with the Labor Ministry. The Hawke Government has patted itself on the back for taking greater care in staff selection than the Whitlam Labor Government did and so having avoided some of the embarrassments caused by some of the Whitlam staffers. It should now explain how Mr Groux slipped through the net, especially as his suitability for a three-year consultancy was examined by the Public Service Board. Mr Brown explained to Parliament yesterday that he had given a glowing reference to Mr Groux based on the work he had done. After Mr Groux's resignation he had discovered that Mr Groux was living in "a fantasy world".

### The Briesse diaries

Whether Mr Groux lives in "a fantasy world" or not, his acquisition of copies of Mr Briesse's diary is real enough. The authenticity of the copies has been confirmed and he has provided copies to *The Canberra Times*. Mr Brown and the Government should provide what information they can.

Canberra Times  
2/5/76

## Donnelly and Groux

Received May 1

Sir, — I refer to the lead article on the front page of today's *Canberra Times* concerning Mr Rodney Groux, in which two statements attributed to myself are incorrect.

Firstly: "Mr Donnelly, interviewed last night, said that some things which occurred after the fiasco of the announced appointment inclined him to believe Mr Groux's account of what occurred."

This statement is substantially correct except that I actually said "believe *some aspects* of Mr Groux's account of what occurred".

The second statement was, "Mr Groux, in announcing Mr Donnelly's appointment, had said that Mr Donnelly had been preferred to a nominee of Mr Lionel Bowen's."

The actual statement was, "Rodney *told me* that I had even beaten Lionel Bowen's nominee for the job."

I made no statement concerning the chairmanship of the board of directors of the Australian Institute of Sport, as I was not asked.

In the light of the above written statements I would like a retraction printed in the next edition of your otherwise excellent publication.

LEE DONNELLY

Torrens

Sinners

The Hon Mr N K Wran QC  
Level 20  
Aetna Life Tower  
Cnr Elizabeth and Bathurst Streets  
SYDNEY NSW 2000

Dear Mr Wran,

PARLIAMENTARY COMMISSION OF INQUIRY - MR JUSTICE L F MURPHY

As you may be aware the Parliamentary Commission of Inquiry established pursuant to the Parliamentary Commission of Inquiry Act 1986 has commenced its task of inquiring into and advising the Parliament whether 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.

Mr S Charles QC, Senior Counsel assisting the Commission, has informed me that he would be assisted by having a discussion with you in relation to some aspects of the Commission's Inquiry. Accordingly, I should be glad if you would contact Mr Charles on telephone number (02) 232 4922 to arrange a suitable time for an appointment to be made.

Yours faithfully



Sir George Lush  
Presiding Member

21 July 1986

Pete/Mark

Allocated to you.

As discussed, high priority.

You should be aware that the  
brown story has been investigated  
(at least in part) by the AFP.  
I intend calling for the  
conttant brief on 16/7.

Do not contact witnesses  
before discussing with me.



15/7/86

Memo to: Mr.Charles  
Mr.Weinberg  
Mr.Robertson  
Mr.Durack  
Ms.Sharp  
Mr.Thomson

From: Mr.Phelan

BRIEF ANALYSIS OF CERTAIN DOCUMENTS RECEIVED FROM THE OFFICE OF  
DIRECTOR OF PUBLIC PROSECUTIONS ON 19 JUNE 1986

1. The documents received are briefly described in the receipt given by David Durack on 19 June 1986 (copy attached). The following is a more detailed description of certain of those documents together with a brief analysis of what they contain in terms of the allegations so far identified.

The Morosi break-in allegation

2. Relevant to this allegation are two manilla folders. The first is marked [REDACTED] and contains the following documents:-

- (a) A statement given by [REDACTED] on 4 April 1986.
- (b) A report to the Attorney-General from the then Assistant Commissioner (Crime) J.D. Davies dated 17 January 1975.
- (c) A supplementary modus operandi report from Detective Inspector Tolmie then of the Commonwealth Police.
- (d) A note to the Officer in Charge of the Commonwealth Police Force dated 30 January 1975 from an officer within the Office of the Deputy Crown Solicitor, Sydney.

- (e) A note dated 4 March 1975 from Sergeant Lamb to the Officer in Charge New South Wales District of the Commonwealth Police concerning an approach to him from Mr David Ditchburn.
- (f) A note dated 7 March 1975 from Detective Inspector Tolmie to the Officer in Charge New South Wales District, concerning certain enquiries of neighbours of the Morosi's.
- (g) A note dated 28 February 1975 to the Officer in Charge New South Wales District, from Constable First Class Jacobsen, concerning allegations re antecedents of Juni Morosi.
- (h) A statement by William Alexander Tolmie undated and unsigned concerning the arrest of Felton and Wigglesworth at the Morosi premises, and
- (i) A statement signed this time but undated by Sergeant Lamb in the same matter.

The second manilla folder is headed simply Felton/Wigglesworth and contains the following documents:-

- (a) A note of a interview by A.C. Wells, dated 22 April 1986 with Richard Wigglesworth.
- (b) A file note in relation to contact of Wigglesworth.
- (c) File note dated 13 April 1986 by A.C. Wells concerning the interview of Alan Felton.

3. The most interesting document is undoubtedly the statement by [REDACTED] He said that in the early 70's he was hired by Alan Felton to break in to a townhouse occupied by Juni Morosi at Gladesville. He described Felton as a member of a committee of persons including W.C. Wentworth and Ivor Greenwood, a group which he later described as being anxious to get information on Lionel Murphy. The purpose of the break-in was to obtain documents providing details of Lionel Murphy's activities overseas and his relationship and

business dealings with Juni Morosi. Such documents were supposed to be located in the garage in a room used as an office. On his instructions, an unnamed agent and a locksmith called Richard Wigglesworth broke into the property but came back empty-handed. He reported this to Alan Felton but he did not believe [REDACTED] and insisted that [REDACTED] Wigglesworth and he personally break back into the property. There was a period of approximately 2 weeks between the first attempt and the second break-in. During this period [REDACTED] had a conversation with Bill Waterhouse. During that conversation (which [REDACTED] recalls with some clarity), [REDACTED] disclosed the nature of his enterprise and the time and date upon which the second "raid" would take place.

4. [REDACTED] described the second break-in attempt as follows. He accompanied Alan Felton and Richard Wigglesworth to the property in Batemans Road, Gladesville. He parked his car away from the property and drove the remaining distance in a van with the other two people. When he got to the property he did not go in but remained in the van. Wigglesworth and Felton entered the property, Wigglesworth using a key he had made up from the previous break-in. The door was left open. They emerged after a few minutes and came towards the van. [REDACTED] got out to move a bicycle that was on the ground when suddenly a number of police and police cars came up Batemans Road. [REDACTED] started running and jumped over a few fences, got back into his car and apparently escaped.

5. [REDACTED] said he was furious and drove his car straight to Bill Waterhouse's office on the Pacific Highway at North Sydney. [REDACTED] had told Waterhouse that he had just come from Batemans Road and that there were police everywhere. He said, "What have you done, I think they have arrested my man Wigglesworth." Waterhouse laughed and said "I'm sorry [REDACTED] I'll look after it" and thereupon telephoned Morgan Ryan's office. [REDACTED] claims he knew he had telephoned Morgan Ryan's office



because he watched him dial the number - a number with which he was familiar because of prior dealings with Morgan Ryan. Waterhouse said to the person on the other end of the phone (he presumed it was Morgan Ryan) "The big fellow is upset, [REDACTED] here. His man's been arrested, I'll put him on". He then handed the phone to [REDACTED] [REDACTED] then spoke to a person whose voice he recognised as Ryan's and told him what had happened. Ryan laughed and the conversation continued in the following terms. Ryan said, "Don't worry, we'll have it fixed. My mate's here and I'll put him on". [REDACTED] said, "This fellow Wigglesworth is a good friend of mine and a good fellow. It's an embarrassment to me and I believe he's now been taken into custody." [REDACTED] then spoke to a person whose voice he recognised as Lionel Murphy's (he recognised Murphy's voice because he had heard him speak on a number of occasions). Murphy said, "Thanks very much [REDACTED] I'm sorry about this but it will be attended to." [REDACTED] said, "You've put me into a lot of hot water here because you've made a mess of the thing and I don't think you've gained anything from it. I want it attended to otherwise I will go to Press. How did this come about.?" Murphy said, "Bill told me". [REDACTED] then handed the phone back to Waterhouse who said to the person on the other end of the phone [REDACTED] assumed at that stage that it was still Lionel Murphy), "You'll definitely look after [REDACTED] man." Waterhouse then hung up the phone and said to [REDACTED] "I will ring Bob Askin." Waterhouse then telephoned another number and a conversation took place between Waterhouse and the person on the other end of the phone [REDACTED] assumed it was Askin). Waterhouse hung up and said to [REDACTED] "He'll look after it. He'll contact Murray Farquhar."

6. [REDACTED] then left Waterhouse's office and went to Wynyard House in the city and spoke to Warwick Colbron of the firm Colbron Hutchinson and Dwyer, solicitors. (Note: Colbron is a player in the Central Railway development story) [REDACTED] wanted to speak to Colbron because he had been Morgan Ryan's

articled clerk and knew him well. [REDACTED] told Colbron what had happened and Colbron said, "It's just like Morgan." [REDACTED] said, "I hope they stand up. If they don't then I'll drop the bucket on the lot of them", and then left the office.

7. The next day [REDACTED] rang Morgan Ryan at his office and told him of his annoyance at what had occurred. [REDACTED] said, "Thank's for your assistance. I hope there won't be any repercussions to me as a result of this", and Ryan said, "There won't be. It's sweet."

8. I observe at this juncture that [REDACTED] recollection of events seems remarkably clear, notwithstanding that those events occurred more than 11 years prior to the date of his statement. Did he refresh his memory from some contemporary note? If not, he might well be asked how his recollection is so clear.

9. The Report dated 17 January 1975 from Davies to the Attorney-General purports to contain a detailed description of the action taken by Commonwealth Police following the receipt by Davies from Murphy of information relating to the proposed break-in at the Morosi residence. The most remarkable feature of the report is that it contains no reference whatsoever to the role of [REDACTED] and no reference to his being sighted at the scene of the crime. It is possible that Waterhouse did not tell Murphy about [REDACTED] or that if he did that Murphy did not pass on the names of the star players to Davies. However, I find it unusual that police who had presumably staked out the scene of the potential crime did not notice [REDACTED] rapid departure from the scene, or observe him at the time of his arrival at the townhouse in the van. The theory that [REDACTED] name has somehow been suppressed in official reports may be reinforced by the subsequent memoranda appearing in this file. It would appear that Ditchburn received information from neighbours that [REDACTED] was sighted at the scene of the crime

at about the time of the break-in. Police later confirmed this by speaking with the neighbours concerned. Yet it would appear police took no action to follow the matter up with [REDACTED]

10. The report to Murphy from Davies also contains the interesting observation: "The charges were signed by Sergeant Lamb, and as they were laid under State laws they would normally be presented to the court by New South Wales prosecutors. You might care to consider whether this course would be satisfactory in the present circumstances." What this last sentence means is anyone's guess. Other documents on the file reveal that Felton (the only one charged, as Wigglesworth was allowed to leave police custody shortly after his arrest following the intervention of Bruce Miles) was charged with offences under the New South Wales Crimes Act and the New South Wales Motor Traffic Act. Notwithstanding the fact that no Federal offence ever seems to have been contemplated in relation to the break-in, the prosecution of Felton was handled by the Commonwealth Deputy Crown Solicitor in Sydney, who briefed Mr Foord of counsel in the matter. According to the supplementary modus operandi report prepared by Detective Inspector Tolmie, the matter was heard before Mr Farquhar who after hearing the facts of the matter from Mr Foord found the charges proved but without proceeding to conviction bound Felton over in his own recognisance in the sum of two hundred dollars to be of good behaviour for two years.

11. Should the Commission decide to pursue this allegation, the question will need to be asked why the New South Wales Police were not informed of the break-in either prior to, or after, its occurrence. Why were the Commonwealth Police there at all? And why did the Commonwealth Crown Law authorities bring the prosecution? Why were inquiries not made of [REDACTED] by the Commonwealth Police? It may be useful to speak to Waterhouse, and Deputy Commissioner Farmer (as he now is) who was then the link between investigating police and Davies. Davies, Tolmie and Lamb should also be interviewed..

12. Turning now to the contents of the other manilla folder relevant to this allegation, of some interest is the note by A.C. Wells of his interview of Richard Wigglesworth. Wigglesworth apparently gave Wells his version of what happened at the break-in, which differs in some respects from the version offered by [REDACTED]. Importantly, Wigglesworth stated that he stayed in the van and not [REDACTED] he alleges that [REDACTED] entered the premises with Felton. Wigglesworth was unable to say how Bruce Miles came to represent him at the police station on the night of the break-in. Of some further interest (I put it no stronger than that) is the fact that after the break-in Wigglesworth's premises were apparently raided by State police who had a warrant to search for materials suspected of having been used in letter bombs. Nothing was found and Wigglesworth was sure it was simply a put up job. Wigglesworth said that he shortly afterwards spoke to [REDACTED] about the matter and was told by the latter that he believed Morgan Ryan was the source of the information relating to the State Police search warrants and that it was an act of malice to get back at Wigglesworth for having the temerity to interfere with the Morosi/Cairns business.

13 The final document is the note of a conversation between A.C. Wells and Alan Felton. It would appear that this was a fairly brief conversation which occurred whilst Felton was being driven from the airport to Railway Square. Felton denied any knowledge of there being two raids as alleged by [REDACTED]. Of more interest is his version of what subsequently happened. He recounted how he was arrested and charged with break and enter. He first appeared before Mr Lewer S.M. who he felt was likely to send him to jail. He was represented by David Marks and later Reynolds, now on the Bench. He recollected that he appeared before Lewer a second time. However, on a third occasion by some arrangement, the mechanics of which he cannot recollect or may not even have known, the matter was finally

heard by Mr Farquhar S.M. and he received a bond. He claims he knows the name Morgan Ryan but not in connection with his case and does not know Bruce Miles. Mr Lewer may have an interesting story to tell.

#### The Sankey Prosecution Allegation

14. Inside a manilla folder marked 'Sankey' is a two page document described as "minutes of a meeting 3 March 1986" those present being listed as "B. Rowe, S. Rushton and D. Sankey." Minute describes two matters relevant to the Sankey prosecution, the approach to settle proceedings and secondly the disqualification of Mr Leo S.M. In relation to the former, Mr Sankey apparently told those at the meeting that just after the first appeal hearing, (that is 'June and October 1976'), Sankey received a telephone call from Mr Anderson at the Capri Restaurant at Rose Bay. Sankey was a part owner of the restaurant. Anderson informed Sankey that he had something to discuss and made an appointment. Apparently Sankey had known Anderson for quite some time, but had had very little contact with him recently. However, Anderson approached Sankey as an 'old mate'. At the meeting between Sankey and Anderson, Anderson said there had been a meeting at which the case had been discussed; Anderson apparently did not identify those present at the previous meeting but Sankey recollects that Morgan Ryan might have been mentioned. Anderson asked Sankey what he was after, that is what did he want and Sankey informed him that all he wanted was an admission of wrong doing but not necessarily an admission of guilt. Subsequently, Anderson telephoned on another two occasions and the same matter was discussed.(the contents of those discussions are not mentioned).

15. Shortly thereafter, person whom Sankey recognised as being Saffron telephoned and asked what it would take to settle the matter. Sankey repeated was that all he wanted was an admission of wrong doing. Saffron said that if that was all then there would be no problem. Sankey believed that the legal

representatives, particularly Rofe and Christie had subsequently got together and drafted heads of agreement based upon the terms of settlement discussed and mutual release for all parties. Sankey recalls that he and Saffron spoke about the matter on a couple of occasions (no details of these discussions provided either).

16. Sankey advised that the disqualification of Leo took him by surprise. He thought that Rofe had spoken to Farquhar in Farquhar's chambers and Farquhar said that he was very much in favour of Sankey's case. Sankey suggested that this was one reason why he did not want Farquhar sitting on the matter. Sankey mentioned other matters which apparently were not borne out upon inquiry.

17. Sankey's reported comments are very vague, but tantalising. His story so far tends to support the story that Anderson is alleged to be able to give. Clearly Sankey should be interviewed and his version of events explored in some detail.

#### Perjury Allegation

18. The DPP have provided a number of folders containing various pieces of information about the association between the Judge and Morgan Ryan. The file marked, 'Francisco' consists of a photocopy of a page of a transcript of the Tapes Commission where Mr Francisco made passing reference to having sighted Mr Justice Murphy in the presence of Ryan on one or two occasions. Another folder described as Bird/McMahon contains an unusual letter from one David Fletcher together with a quite bizarre treatise apparently written by one Anna McMahon (described by Mr Fletcher as the 'very beautiful and talented socialite'). I could not begin to summarise either of those documents. Another folder styled Minter contains a proforma questionnaire together with certain handwritten notes apparently

notes of interview between some unidentified investigator and a former assistant private secretary of Murphy's between the period 1972 and 1975. The information contained in it is very general and in my view quite useless. A further folder marked Halpin contains an article by David Halpin on 'Life with Lionel' in Matilda together with a five page unsigned statement. Whilst containing some very general observations about the frequency of visits by Morgan Ryan to the then Senator Murphy's Office during the period up to 1975 the statement is otherwise useless. The final folder contains a statement by Francis Leslie William Gannell who was on various occasions a bodyguard for the then Senator Lionel Murphy. The statement contains some general comments relating to the frequency of mail from Morgan Ryan and Brock to Senator Murphy and also provides interesting insight into the events leading to deportation of Sala (discussed later). A final file contains evidence of Ryan and the Judge given during the first trial.

#### The Story of Rodney Groux

19. The DPP material included a somewhat butchered photocopy signed statement by Rodney Gordon Groux. Most names in the statement have been whited out and replaced with some form of numbered code. The names can still be read however. Groux says that he was employed in about May 1985 by the Minister of Sport Recreation and Tourism for a period of 4 years. His duties as ministerial advisor were to include assisting and advising on various matters in relation to the Minister's Portfolio.

20. Groux says that whilst employed by Brown he met Lionel Keith Murphy at Woden Shopping Plaza outside premises known as 'Meat City'. Murphy asked him whether he would visit him at his house to discuss a document (unidentified in anyway) Groux said he prepared for Senator Bolkus. Groux says he obtained



personal approval from Brown to visit Murphy and accordingly on the next day (a Sunday) he attended Murphy's residence at Red Hill. Murphy asked whether he would be prepared to assist him by conducting enquiries on his behalf into the various people who had given evidence against him in criminal proceedings in New South Wales. Groux said that he would. Murphy then produced various material to him including a photocopy of diaries he said were those of Mr Clarence Brieese. Murphy said that he obtained the diaries via Mr Mick Young, that they were illegally obtained and that they should be carefully guarded. Murphy explained to him that he regarded the then current proceedings as a conspiracy against him and that the parties to that conspiracy were Mr Temby, Ian Callinan and the Liberal Party.

21. Groux says that Murphy and he, in the presence of Murphy's wife, proceeded to inspect the material produced and attempted to place it in chronological order. Murphy told Groux that he wanted the diaries analysed and investigated in certain areas (unspecified). He said he wanted Mr Brieese and others investigated. After several hours Groux told Murphy that he would arrange for his secretary, Pamela Whitty to collect the material next morning, photocopy it and return it to the Judge. He said he would later contact him to explain how he proposed to proceed with the investigation.

22. The material was apparently collected, copied and returned. Groux later rang Murphy and told him he proposed to dissect the diary and put it into computer programming for cross referencing purposes. According to Groux Murphy was ecstatic and from then rang him often. Groux said he proceeded to dissect the material and input it to the computer. During this time he reported to Brown and told him generally what was going on in relation to the Murphy matter.

23. Groux says that at some stage he travelled to Sydney and booked into Ollims Hotel in Macleay Street, Potts Point. He met with Mr Luchetti, another member of Mr Brown's staff, and delegated to him certain tasks, namely telephone checks and Social Security checks. Groux then travelled to Mr Brown's Electoral Office in Parramatta and was there contacted by Murphy who arranged for Groux to visit him later in the day. He also asked Groux to investigate an accusation supposedly made to Mr Wran that Briese had paid \$20,000 cash for a swimming pool to Mutual Pools. Murphy said that Wran was Acting Attorney-General and was in a position to help. Groux then made some inquiries in relation to the swimming pool matter and interviewed a few people and so on. In relation to the swimming pool matter he approached Mutual Pools in Sydney and confirmed that a pool had been installed by them but could find no evidence of payment of \$20,000 in cash.

24. Groux says that that evening he visited Murphy at his unit at Darling Point, arriving in a commonwealth car. Murphy and his daughter Laurel were present. Murphy and Groux had a discussion about what Groux had done and what Groux intended to do. Murphy was keen for Groux to contact the landscape gardener who had worked on Mr Briese's premises and had previously provided a Statutory Declaration (no description) which Murphy had earlier provided Groux. Groux reported that he had tried to do so but without success. Murphy said that Wran would be arriving shortly. He said that he would introduce Groux to Wran but so far as Groux was concerned there was no relationship between himself, that is Groux and Wran. He also said that when Wran arrived Groux and Murphy's daughter were to go out for a while. Wran arrived and was introduced to Groux. Wran said that if Groux wanted any help to tell Lionel what was required and he (that is Wran) would do his best. Murphy's daughter and Groux then left and later returned to the unit and had a meal with Murphy. Wran had left. Groux later ordered a Commonwealth car and returned to his hotel with Laurel Murphy(!).

25. The next day Groux continued his inquiries, and during the day contacted Murphy and said he was having difficulty because he was not familiar with Sydney. He said he needed a car and Murphy said that he would see what he could do for him. The next day a vehicle (Commonwealth?) was made available to Groux as were two (unidentified) adult males. They took him to various places around Sydney. Groux says that after a few days he decided to conduct enquiries on his own and dispensed with his helpers. He claims he located and interviewed Brieese's gardener and as a result of that interview he did not believe the material contained in the gardener's Statutory Declaration.

26. Groux says he returned to Murphy's premises and detailed what he had been doing (what?). Wran arrived and Groux told him what he had been doing. Wran expressed surprise that Mr Brieese had his direct telephone number. Both then urged Groux to continue his inquiries into Mutual Pools arrangements, Mr Brieese's share transaction (unspecified), Mr Brieese's reputation and Mr Brieese's relations with the media. Murphy urged Groux to pursue these areas as a matter of priority. Groux returned home to Canberra for the weekend and saw quite a bit of Murphy over that weekend generally discussing the investigation. Prior to returning to Canberra Groux said he spoke to Brown by telephone outlining what he had been doing for Murphy and stating that he was not quite happy with the situation. Brown told Groux that if only a small bit of his work could be of benefit to Murphy it would be worthwhile and Groux should continue.

27. Some time later Groux returned to Sydney and continued his inquiries. Groux contacted Murphy who was most insistent that Groux complete his inquiries and give him a result. Inquiries continued for a couple of weeks with constant reference back to Murphy. Groux said he kept Brown up to date

on the inquiries and also on the ministerial work he was doing. Groux said he also saw Wran during this period, the latter urging him to pursue certain (unspecified) select areas of investigations.

28. Groux says that during this period on one occasion Murphy asked him to attend the Banco Court in Sydney and tape record the proceedings of Murphy's case. Groux says he did this and handed the tape to Murphy on the way out of court.

29. Groux says that after court he had a conversation with Mr Luchetti. He told him that he would not pursue his inquiries further as he had decided that Murphy was guilty(!). He thereupon returned to Canberra.

30. On the following Monday Groux was dismissed by Brown ostensibly for failure to disclose his financial difficulties on appointment. Brown told him that Mr Hawke did not want any skeletons in his closet.

31. Groux says this statement had been prepared and taken in a hurry and without access to his records. He claimed that during the period he maintained a diary and recorded many of the events covered in his statement in it. He claimed to also have other records including a copy of Briese's diaries, portions of the Murphy transcript, portions of the Senate transcript and various receipts for car hire and other expenses incurred during this time. He said he was able to produce these on request.

32. Mr Groux should be interviewed and his records analysed in some detail. Certain parts of his story may be verified by Mr Luchetti and Ms Witty.

### The Sala Allegations

33. The DPP provided a number of folders of information relevant to this allegation. The file marked 'Sala Ramon' contains a useful chronology of the events leading to Mr Sala's departure. It would appear to have been taken from various Immigration, Attorney-General's and Police files. Extracts from those files appear in another folder marked 'Sala Analysis'. Included in that folder is the report dated 18 June 1974 from Inspector Dixon to the Commissioner of Commonwealth Police in relation to the matter. In that report Inspector Dixon outlined his suspicions. Possible Saffron/Ryan connection to the matter is outlined in paragraphs 11 and 12 in the report. Sala was accompanied into Australia by his girlfriend Michelle Senannes. During the period of Sala's incarceration Senannes stayed at Lodge 44. She was guarded throughout her stay in Sydney and was seen onto the plane by Mrs Ryan, wife of Morgan. Senannes was not permitted to speak to anybody.

34. Also provided was a copy of the Menzies Report which should be read in its entirety.

35. As previously mentioned there was a statement from a police officer named Gannell in which inter alia he outlined a conversation he had with the Attorney-General in relation to the Sala matter. He said he attended a meeting in the Members' Lounge in Senator Murphy's Parliament House office. Present were Senator Murphy, Assistant Commissioner Davies of the Commonwealth Police and Alan Carmody from Customs. Gannell cannot recall whether other people were present but he had some recollection that Clarrie Harders may have been present. The people mentioned came out of Senator Murphy's private office and sat around in the lounge area discussing the Sala matter. They appeared to be debating whether Sala ought to be deported or charged. During the course of the meeting Gannell was asked

for his view by Senator Murphy. Gannell said he was unaware of the matter and was then given a brief outline of the facts by Senator Murphy. Gannell's recollection is that Customs wanted Sala deported because of the cost of keeping him in jail. His recollection was that the Commonwealth Police wanted Sala detained in Australia because he was a suspected drug trafficker and the police had been unable to prove his correct identity because the passport on which he was travelling was false. He recalled that he thought that Carmody put forward additional reasons for having Sala deported but he could not recall them. Gannell had some recollection that the Attorney-General's Department had put forward the view that the charges were of a minor nature or that they could not be substantiated. He did not know whether that recollection was based on events at the meeting or otherwise. Gannell said that he told Murphy that he agreed with the Commonwealth Police view expressed by Davies that Sala should be kept in Australia. He recalled that the matter was resolved by Senator Murphy agreeing to give the Commonwealth Police a specified period, perhaps about a week to pursue their inquiries in relation to Sala's true identity and any evidence of him being involved in drug trafficking.

36. I must say that at this stage evidence of impropriety by the then Attorney-General in the Sala matter is somewhat lacking. At this stage, I consider its relevance to this enquiry to be questionable.

#### Property Transactions

37. The DPP have also provided some analysis of various property transactions by the Judge, Morgan Ryan and Bruce Miles. From an admittedly brief analysis of this information I can see nothing of significance for this Commission in the various transactions entered into by the Judge.

### The Don Thomas Allegation

38. The DPP have provided three manilla folders relevant to this allegation: files marked "Thomas File A" and "Thomas B" and files marked simply "Davies". Thomas File A concerns a statement by Thomas given on 24 March 1986, apparently for the purposes of the second Murphy trial. That statement does not deal with the conversation which Thomas has elsewhere alleged occurred at the Korean Restaurant in late 1979. Also in that file are various documents relevant to Thomas's actions in the Greek Conspiracy Case. These include the comments by Brown S.M. and later opinions and internal memoranda relevant to the subsequent decision by the Attorney-General not to prosecute Thomas for various matters which arose during the course of the Conspiracy Case. The file styled 'Thomas B' contains the additional evidence relevant to the luncheon at the Korean Restaurant in late 1979, including some "I said, he said" recounting of the conversations which allegedly took place at the lunch. This additional evidence is unsigned. Also in the file are notes of a conference between Thomas, the DPP and counsel wherein the Murphy/Ryan/Thomas/Davies lunch, later Ryan/Thomas lunch and various aspects of Thomas's involvement in the Greek Conspiracy matter were discussed. Finally, the file contains a transcript of the detailed examination of Thomas before the Stewart Tapes Commission. The final manilla folder, the one styled 'Davies', contains a seven page signed statement by John Donnelly Davies.

39. Thomas's evidence of the lunch with Davies, Murphy and Ryan is this. Sometime prior to October 1979 he received a telephone call from a woman who identified herself as the Associate to Murphy. Thomas had never met Murphy. The Associate told Thomas that Murphy would like to have lunch with him when he was next sitting in Sydney and said she would call again when a date could be arranged. About a month or so later Thomas received another call from the Associate who advised him

that the Judge would be sitting in Sydney the next week and asked if Thomas would be available and he said he would. Not long after, Thomas received a third call from the Associate in which the time, date and the Arirang House Restaurant, Potts Point were nominated.

40. On the day of the lunch Davies arrived at Thomas's office in Sydney and informed him that he would be attending the lunch too. Although it was not be unusual for Davies to visit Thomas he generally announced his intention beforehand but did not do so on this occasion. Thomas drove Davies to the Restaurant and Thomas was aware that Davies knew Murphy. When they entered the restaurant they met Murphy who was apparently alone. Murphy said to Thomas, "I hope you don't mind, I have a very old friend joining us. Time is short and I try to have lunch with him whenever I am in Sydney." Ryan then joined them and introduced him to Thomas (Thomas had not previously met Ryan).

41. General conversation then ensued for some time and then Murphy engaged Thomas in conversation while Ryan and Davies conversed together. Murphy told Thomas, "In 1974 to 75 when I was Attorney-General, I was going to form the Australian Police Force. You were earmarked at that time to be an Assistant Commissioner. It didn't go ahead because the Government lost the election". There was some further discussion and Murphy referred to the Greek Conspiracy Case and to criticism that had been made of Thomas in Parliament about it. He said, "The allegations of misconduct made by Senator Grimes are political. It is not a personal thing. There are a large number of Greek voters in the various Victorian electorates and the ALP is seeking their support. Would you like to meet Senator Grimes?. He is not a bad bloke. Then you will understand." Thomas replied, "No thanks". Murphy then said words to the effect "We'll soon be in power again. We need to know what is going on. We need somebody in the Australian



Federal Police. Somebody at the top. If you are willing to do that, we can arrange for you to be an Assistant Commissioner when it is formed. We have friends on both sides." Thomas said, "Look, I'm not a member of any political party. I really don't want to get involved in that way." Murphy said, "O.K. Well, don't make up your mind straight away, think about it." The conversation then turned to other matters. Ryan and Davies had been in conversation with each other while Murphy and Thomas had the above described conversation.

42. The conference notes go on to describe Thomas's explanation of his behaviour during the Greek Conspiracy prosecution. It is worth reading. Suffice to say at this stage that I find his explanation rather hard to believe.

43. Also on the file is a transcript of Thomas's examination before the Stewart Tapes Commission. In the first part of the transcript Thomas outlines the circumstances leading up to and including his luncheon with Morgan Ryan in early 1980. This is the conversation which he and Lamb taped. Thomas considered that the purpose of the meeting was to offer him a bribe in relation to doing something for Dr. Hameiri. Thomas says that that meeting was the first time that he had ever heard the name Dr. Hameiri. Thomas told the Commission that in relation to this episode he made no notes. He said he would have had a notebook but added that he would not normally carry a notebook as a Detective Chief Inspector. In any event he took no note of the conversation even though he considered that he had been offered a bribe in relation to a then current prosecution. Later Thomas was asked again, "But you took it as a bribe. Is that right?" and he said, "I certainly did." He was asked, "Well then, what action did you take?" To which he responded, "None at all." Thomas was asked "Why not". He answered, "Because Inspector Lamb was inquiring, as far as I knew, into organised crime which involved Morgan Ryan and it was then up to him. The whole object of taping the thing was because I did

not trust the man and because Lamb was involved in that area somewhere. His actual duties were not known to me but I'm certain he knew he was involved in that type of investigation, subject directly and working directly to the Commissioner." He was then asked, "In any event, nobody as far as we know took any action on it?" and he responded, "I do not know." Later he was asked whether he made a report to Inspector Lamb. He responded, "No, it would not be my prerogative to make a report to Lamb." He went on to say that Lamb was his junior at the time.

44. Thomas was then led through his evidence on the previous luncheon he had attended with the Judge, Morgan Ryan and Mr Davies. That evidence is broadly consistent with that given later to Mr. Callinan immediately prior to the second Murphy trial. It does however, contain some additional information. For what its worth, the Judge appears to have directed the seating arrangements at the table so that he himself sat next to Thomas while Davies and Ryan were situated at the far end of the table. In relation to Murphy's alleged statement that "we" needed somebody in the new AFP, Thomas assumed that the 'we' referred to the Labour Party, but he was "also a bit conscious of Morgan Ryan being there." Apparently at the meeting Davies and the Judge mentioned that they had been to school together and Thomas had some recollection of that school being Fort Street. Thomas was asked whether Justice Murphy explained how he or anyone else was going to organise Thomas's higher rank in the yet to be formed Australian Federal Police, bearing in mind that Labor was not in government at the time. Thomas said that that was not discussed in any detail at all. There was some conversation about where Labor and Liberal politicians are opponents in the house but are friends, or can be friends outside (although that conversation may not necessarily have concerned the point of how the alleged promotion of Thomas was to be achieved).

45. Thomas goes on to say that after the meeting he was "inwardly angry" at the offer made by Murphy. He said he told Davies that he could "tell Justice Murphy that he was not interested and more or less the fact that I was disappointed in him." Thomas says that he certainly did not discuss the offer with any other person after the luncheon. He was asked, "From that day to this have you mentioned it to anyone else'," and he responded, "I mentioned it only the other week to Mr Ian Temby and that was because there was an article in the 'Sydney Morning Herald' attributed to the 'Age Tapes', and a report that an Inspector Moller had filed, which intimated that I had been up to something with Davies." He went on to say that that newspaper report was several months previously. However, he had only mentioned it to Mr Temby within the month. (It's not immediately clear to me why Thomas approached Temby when he did). Thomas admitted that he never came forward during the trial at any stage to offer this particular intelligence to anybody. He was asked, "Did it occur to you as an ex-police officer and now a practising barrister that it may have been important to mention it?" and he responded, "No, sir".

46. Davies' version of events is somewhat different. In his statement he said that he had always held Chief Inspector Don Thomas in high regard as an investigator and had felt sorrow at the way in which he was being treated by police dignitaries the time following his handling of the Greek Conspiracy matter. This left him wondering what place there was for Thomas within the police sphere as he was either at that stage a lawyer or about to become one. Davies' medical advisors had told him that he should be pensioned due to hypertension, so he knew he would be leaving the job in the near future. Accordingly, about the end of November 1979 he rang Lionel Murphy (person whom he first met in 1942 and whom he had met infrequently since then) and told him what had happened to him and related the circumstances surrounding Don Thomas. Davies told Murphy that whilst Thomas was not a friend of his, he did feel that he

was being badly treated and would have no future as a police officer despite his academic qualifications. He asked Lionel whether he would be prepared to have lunch with Thomas and him to discuss a possible future in the legal profession. Davies admits to being presumptuous because he had not even consulted with Thomas on this score at this stage. Davies said he did so immediately and Thomas offered no objection to the meeting.

47. About mid-December, Murphy's Associate rang Davies to say a luncheon had been arranged between Davies, Murphy and Thomas at the Korean Restaurant in Kings Cross. Davies said he then rang Thomas and arranged for him to pick him up at Town Hall station and take him to the luncheon. It would appear that Davies phoned Thomas on the morning of the luncheon.

48. Upon arrival, they were met by Murphy and Morgan Ryan. They had lunch. Lionel enquired about Thomas' background and legal achievements in the academic world and from Davies' recollection agreed that he would have a career available as a lawyer should he ultimately feel so disposed. Furthermore, Murphy expressed the opinion that with his qualifications Thomas would seem to have a good future within the Australian Federal Police. According to Davies, Ryan had little or no input into the conversation. Davies says he simply recalls that it was a pleasant luncheon - an informal discussion between Lionel Murphy and Don Thomas arranged at his request because of his apprehension that Thomas would be or had been badly done by by the imported United Kingdom hierarchy. Davies left with Thomas. Thomas drove Davies to the station. According to Davies he has not seen Thomas, Murphy or Ryan, nor has he spoken to them or communicated with them in any way whatsoever since that date.

49. Davies says that he has been asked if he was privy to all that was said at the luncheon. He says that whilst he was certainly present in a group of four people, he was not able to

say that he could give a complete account of what was said since the 'anniversary is in its seventh year'. He says that as he was sitting in a group of four people at the table, he feels he would have heard anything of major importance that was discussed. However, once again the 'restraints of memory apply'. Thomas says that he left Murphy and Ryan in front of the restaurant. On the way to dropping Davies off Thomas expressed concern that solicitor Morgan Ryan was present. Davies said, so did he.

50. Davies says that he was not aware that Morgan Ryan was to be present at the lunch. He admits to having met Ryan previously at Lionel Murphy's suggestion in order to further Davies' determined approach to the State Government to recover a sum of money he had previously paid to the New South Wales Police Superannuation Fund. If anyone should be interested in Davies' saga in recovering that amount they are welcome to read his statement.

51. I make the following observations on the material obtained from the Director of Public Prosecutions relevant to the Thomas allegations. If we assume that the conversation as alleged by Thomas took place, it is not immediately clear what the Judge was seeking to achieve. Was he seeking to have Thomas placed in a particular position within the AFP (in effect to replace Davies) as an informer for the ALP? Or was his approach in asking Davies to contact Senator Grimes - an attempt to bring undue influence on the prosecution of the then current Greek Conspiracy case? It is clear that the Judge made no mention at that mention of Dr. Hameiri at the lunch. Morgan Ryan's allegedly improper approach to Thomas (which was taped) appears to have been made on Dr Hameiri's behalf. It would seem then that the second luncheon is an entirely separate matter from the first (although passing reference was made there to the Greek Conspiracy Case).

52. The second thing that must be said is that Thomas's recollection of his lunch with the Judge is remarkably clear, notwithstanding the fact that several years appear to have elapsed between that event and his first disclosing it to any person in authority. Equally remarkable in my view is the fact that Thomas recorded the events of that meeting nowhere; nor did he bring it to the attention of anybody until a newspaper report seemed to indicate that he was in collusion in some unspecified way with Davies. Even then he delayed bringing it to the attention of Mr Temby. Equally, I find it remarkable that although a definite offer of a bribe appears to have been made at the second lunch, Thomas recorded that ~~event~~<sup>nowhere</sup> and indeed let the matter rest entirely. As a very senior officer within the Commonwealth Police, I find his behaviour unusual to say the least. When Thomas' inactivity in these matters is added to his actions in the Greek Conspiracy matter, it can readily be seen that when his allegations are put to the Commission he will be liable to quite vigorous challenge as to his credit.

53. Davies of course provides no support for Thomas. Davies says he suggested the lunch. He may well have, but I do not believe his stated reason for doing so. It defies credulity that he would have arranged a lunch with a member of the High Court (an allegedly casual acquaintance at that) to discuss a future for Thomas ('not a friend') in the legal profession - particularly as Thomas did not solicit Davies' help in the first place.

54. Nor do I think that the events at Thomas' later meeting with Ryan provide any support for his description of the earlier lunch. Contrary to the views expressed in the Callinan/Cowdrey advice, I consider that the tape of the later meeting has no probative value in relation to questions of the Judge's behaviour.

55. In the end, the strength of Thomas' allegation depends very much on how he 'brushes up' as a witness.

Association with Saffron

56. The DPP files contain very little information on this. There is a manilla folder entitled 'James West' which contains a one page unsigned statement by that gentleman. He said that between 1958 and 1978 he was a partner in a hotel in Western Australia with Abe Saffron. He said that about four or five times during that partnership he visited Saffron at his motel, Lodge 44 at Edgcliffe. On one of those visits during which he was accompanied by his wife (a visit which he dates very approximately "in the early 70's") he was sitting having a meal in the dining room on the first floor of Lodge 44 when about two or three tables away he recognised a person also having a meal as being Lionel Keith Murphy. He was alone. He did not speak to him and he could not recall mentioning to Saffron that he had seen him. As far as he was able to say Saffron did not mention to him that Lionel Murphy had stayed at his hotel.

57. I have not as yet seen the material on James McCartney Anderson.

A. Phelan  
24 June 1986

2691A

Extract from Weinberg/Phelan Memorandum  
dated 3 July 1986 (full copy on File C51



## ALLEGATION 15 - THE DIARY INCIDENT

### Statement of Offence

Contempt of Court

### Particulars of Offence

During the course of the committal hearing, certain diaries belonging to Mr Briese SM which had been subpoenaed for production were released into the custody of the firm of Freehill, Hollingdale and Page (Solicitors) who were acting for the Judge at his committal. The diaries were released to the Judge's legal advisors for the purpose of enabling them to be perused. We are not at this stage aware of the precise terms of any order that might have accompanied the release of the diaries. It seems to be an implied term of the release of any documents obtained pursuant to any form of court discovery that the documents will not be used for any purposes other than the specific purpose of the conduct of the proceedings then before the court. It would be implicit in any such release of documents that they were not to be photocopied, bearing in mind that they were released for a specific period of time only. Somehow, copies of relevant diary extracts came into existence, and found their way into the possession of Mr Rodney Groux. Mr Groux says that he was provided with these copies by the Judge. The firm of Freehill, Hollingdale and Page asserts that it was not responsible for any copies being produced of the diaries, through Clarrie Harders may concede that he caused this to be done.

### Witnesses to be interviewed

1. Relevant persons at Freehill Hollingdale and Page
2. The Judge's Counsel at his Committal
3. Rodney Groux

4. Murray Gleeson QC (if he was not Counsel for the Judge at the Committal Hearing).
5. A secretary who is said to have made further copies of the diaries - Miss Whitty
6. The Minister, Mr Brown
7. Mr Luchetti (Employed by Brown)
8. Neville Wran
9. Briese's Solicitor

It should be noted that Groux alleges that the Judge asked him to participate in an investigation into the background of Briese and other prosecution witnesses in order to find discreditable material against them. In so far as Briese was concerned, there would be nothing wrong or improper in the Judge seeking to investigate the background of the main prosecution witness against him with a view to using that material for the purpose of attacking his credit. Had the Judge employed a private investigator to do this, no one could have levelled any criticism at him at all. Does the fact that the Judge has made use of a public servant to perform duties unconnected with his public service obligations (with the apparent approval of the Minister in charge) constitute an offence or otherwise discreditable conduct on the part of the Judge? Was Groux employed under the Public Service Act? Would the Minister have had authority to release Groux to perform duties that were non-public service related? If not, would the Judge have known this?

The Judge may have committed a different form of contempt of court if Groux's evidence is accepted. It appears that the Judge at one stage asked Groux to tape record proceedings which were being held in the Banco court - this was probably the trial. It would clearly be a contempt of court to switch on a tape recording device in the court precincts and secretly tape what is being said in court. If the Judge asked Groux to do this, he would have incited the commission of an offence - to wit contempt of court.