

IN-CONFIDENCE

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

FILE No. .
C. 43/

ARCHIVAL ACTION

FORMER PAPERS	LATER PAPERS
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TITLE **ALLEGATION No. 30**

Jills / Quaternsine letter

Wilson / Tuckey

Related Papers

File C21.

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Folio No.	Referred to	Date	Cleared	Resubmit	Folio No.	Referred to	Date	Cleared	Resubmit
	<i>DIRECTOR Resolved</i>	<i>20/7/98</i>	<i>CP</i>						
<i>F</i>	<i>P/A</i>								

FILE No. **C. 43**

MEMORANDUM RE MATTERS NUMBERED 4, 5, 7, 8, 9, 10, 12, 17, 19,
21, 22, 28, 29, 30, 31, 32, 34, 35, 37, 38, 41.

Matters Raised with Counsel Assisting but not Drawn as Specific Allegations in Precise Terms.

This memorandum deals with 21 matters which in the opinion of those assisting the Commission could not or, after investigation, did not give rise to a prima facie case of misbehaviour within the meaning of Section 72 of the Constitution. It is therefore proposed that these matters not be drawn as specific allegations in precise terms and that there be no further inquiry into them.

Matter No.4 - Sala

This matter involves an allegation that the Judge, whilst Attorney-General, wrongfully or improperly ordered the return to one Ramon Sala of a passport and his release from custody.

All the relevant Departmental files have been examined as also has been the official report of Mr A.C. Menzies.

The available evidence supports the conclusion of Mr Menzies that there was no evidence of any impropriety on the Judge's part. While it is true to say that there was room for disagreement about the directions given by the Judge and that the Australian Federal Police objected to the course taken, the action by the Judge could not constitute misbehaviour within the meaning of Section 72 of the Constitution. We recommend that the matter be taken no further.

Matter No.5 - Saffron surveillance

This matter consisted of an allegation that the Judge, whilst Attorney-General and Minister for Customs and Excise, directed that Customs surveillance of Mr A.G. Saffron be downgraded. The gravamen of the complaint was that the Judge had exercised his Ministerial powers for an improper purpose.

This matter was the subject of a Report of Permanent Heads on Allegations in the National Times of 10 August 1984. That Report pointed out, as an examination of the files of the relevant agencies confirms to be the case, that apart from one document entitled "Note for File" prepared by a Sergeant Martin

on 30 January 1975 there was no record of any Ministerial direction or involvement in the matter. That note for file attributed to a Kevin Wilson the statement that the A-G had directed that Saffron was not to receive a baggage search. When interviewed by the Permanent Heads Committee, Mr Wilson said that in all his dealings with the matter he believed that the direction came from the Comptroller-General. The conclusions of the Report of Permanent Heads appear at paras 45 and 46. Those conclusions were that the decision to reduce the Customs surveillance of Saffron to providing advice and travel details was reasonable and appropriate and that it was more probable than not that the decision to vary the surveillance of Saffron was made by the then Comptroller-General. This, it was concluded, did not rule out the possibility that the Minister spoke to the Comptroller-General who may have reflected the Minister's views when speaking to a Mr O'Connor, the officer in the Department who passed on the directions to the police.

It is recommended that the Commission proceed in accordance with Section 5(3) of the Parliamentary Commission of Inquiry Act and, having regard to the conclusions of the Permanent Heads Inquiry, take the matter no further.

Matter No.7 - Ethiopian Airlines

This matter was the subject of questions in the Senate in late 1974 and 1975. The contention was that the Judge, whilst Attorney-General, behaved improperly by accepting free or discounted overseas air travel as a result of his wife's employment with Ethiopian Airlines. Investigation revealed nothing improper in the appointment of Mrs. Murphy as a public relations consultant nor in the fact that in lieu of salary she acquired and exercised entitlements to free or discounted travel for herself and her family.

Whatever view one may take as to the propriety of a law officer accepting free or discounted travel in the circumstances set out above, the facts disclosed could not, in our view, amount to misbehaviour within the meaning of Section 72 of the Constitution and accordingly we recommend the matter be taken no further.

Matters No.8 and 30 Mrs Murphy's diamond; Quartermaine - Moll tax evasion.

These matters were the subject, in late 1984, of questions in

the Senate. It was alleged that the Judge had been involved, at some stage during or prior to 1979, in a tax avoidance scheme in Western Australia involving one Christo Moll, Murray Quartermaine and others and that Mrs Murphy had either purchased or been given a diamond by Moll.

Material was provided to the Commission in support of these claims and consisted of two diamond valuation certificates, a cheque butt of Moll's with the name Mrs L Murphy and a letter dated 18 June 1979 allegedly written by a Dr Tiller, one of the participants in the scheme, to Quartermaine, implicating the Judge in their activities.

These matters were investigated by the Commission and those investigations confirmed the conclusion to which the Australian Federal Police had earlier come that the documentation provided in relation to the alleged diamond was unreliable and in all likelihood false and that the letter from Dr Tiller was probably false and possibly written by Moll to discredit Quartermaine.

In the light of these circumstances it is in our view impossible to conclude that there is any prima facie evidence

of misbehaviour within the meaning of Section 72 of the Constitution and we recommend that the matters be taken no further.

Matter No.9 - Soviet espionage

Two individuals jointly made the claim that the Judge was a Soviet spy and a member of a Soviet spy ring operating in Canberra. This allegation was supported by no evidence whatever and rested in mere assertion of a purely speculative kind.

We recommend that the Commission should make no inquiry into this matter.

Matter No.10 - Stephen Bazley

Information was given to those assisting the Commission that Stephen Bazley had alleged criminal conduct on the part of the Judge. The allegation was made in a taped interview with a member of the Australian Federal Police and was that the Judge wanted Bazley to "knock out" George Freeman. Bazley said that the request had been passed on to him by a named barrister on an occasion when, according to Bazley, he and the barrister went to the Judge's home in Sydney.

The New South Wales Police had investigated this allegation in 1985 and the staff of the Commission was given access to the relevant New South Wales Police records.

Those records showed that the conclusion of the police investigation was that the allegation was 'a complete fabrication' and that further enquiries would be a 'complete waste of time'. These conclusions were based on Bazley's lack of credibility, his refusal to assist the New South Wales Police in their inquiry into this allegation, his refusal to adopt the statement he had made to the Australian Federal Police and the clear and comprehensive denial by the barrister in a signed statement that he had or would have spoken to Bazley in the terms alleged. Indeed the barrister said that he had met Bazley only twice, once when he had acted for him and once when Bazley had approached him in public and the barrister had walked away.

There being no material which might amount to prima facie evidence of misbehaviour within the meaning of Section 72 of the Constitution we recommend the matter be taken no further.

Matter No.12 - Illegal immigration

It was alleged that the Judge had been involved in an organisation for the illegal immigration into Australia of Filipinos and Koreans. It was not made clear in the allegation whether the conduct was said to have taken place before or after the Judge's appointment to the High Court. No evidence was provided in support of the allegation.

Those assisting the Commission asked the Department of Immigration for all its files relevant to the allegation. Examination of the files provided to the Commission revealed nothing to support the allegation; neither did inquiries made of the New South Wales Police which had made some investigations into the question of the involvement of Ryan or Saffron in such a scheme.

There being no material which might amount to prima facie evidence of misbehaviour within the meaning of Section 72 of the Constitution we recommend the matter be taken no further.

Matter No.17 - Non-disclosure of dinner party

This matter involved an assertion that the Judge should have come forward to reveal the fact that he had been present at a dinner attended by Messrs Ryan, Farquhar and Wood once it was alleged that there was a conspiracy between Ryan, Farquhar and Wood. It was not suggested that what occurred at the dinner was connected with the alleged conspiracy; neither was there evidence of a public denial by any of Messrs Ryan, Farquhar and Wood of the fact that they knew each other.

In the absence of such suggestion or denial there would be no impropriety in the Judge not coming forward to disclose the knowledge that he had of such an association. The absence of action by the Judge could not constitute misbehaviour within the meaning of Section 72 and we recommend that the Commission should do no more than note that the claim was made.

Matter No.19 - Paris Theatre reference, Matter No.21 - Lusher reference, Matter No.22 - Pinball machines reference

These matters came to the notice of the Commission by way of

the so-called Age Tapes transcripts (Volume T1A, p.22 - 20 March 1979, Volume T1B, pps. 107-108, 7 February 1980). On the hypothesis that the transcripts could be proved, there were several conversations between the Judge and Morgan Ryan which included observations by the Judge first, that there was something in the newspaper about the Paris Theatre and that Ryan should know "what's bloody well on"; second, a conversation in which a discussion occurs about "every little breeze" and "the Lush or is it going to be the three board of ..."; and, third, a conversation where Ryan asked the Judge not to forget those " pinball machines ... ".

These three matters, to the extent they suggest a continuing and close relationship between the Judge and Ryan are covered by Allegation No.40.

These conversations could also lead to the inference that the Judge was involved in various kinds of sinister activities with Ryan. However, since they consist only of cryptic references not capable of investigation as allegations of substance, it is recommended that, except as part of Allegation No.40, these matters should merely be noted by the Commission but not investigated further.

Matter No.28 - Statement after trial

This matter was referred to in the House of Representatives (see pages 3447-8 of House of Representatives Hansard of 8 May 1986).

It was suggested that the Judge's comments, made immediately after his acquittal, that the trial was politically motivated constituted misbehaviour.

We submit that the conduct alleged could not on any view constitute misbehaviour within the meaning of Section 72 of the Constitution and that the Commission should merely note that the matter was brought to its attention.

Matter No.29 - Stewart letter

This matter was referred to in the House of Representatives (see p. 3448 of the House of Representatives Hansard of 8 May 1986).

Mr. Justice Stewart, in the course of the Royal Commission of

Inquiry into Alleged Telephone Interceptions, sent a letter to the Judge which contained seven questions. The letter was sent to the Judge in March 1986 shortly before the Judge was due to be re-tried. It was suggested that the Judge's failure to respond to that letter constituted misbehaviour.

The view has been expressed (Shetreet, Judges on Trial, p 371) that the invocation by a judge of the right to remain silent "was an indication that his conscience was not clear and he had something to conceal. Such a judge could not properly continue to perform his judicial functions without a cloud of suspicion." Nevertheless, we submit that in the particular circumstances of this case the conduct alleged did not constitute misbehaviour within the meaning of Section 72 of the Constitution and that the Commission should merely note that the matter was brought to its attention.

Matter No.31 - Public Housing for Miss Morosi

It was alleged that in 1974 the Judge requested the Minister for the Capital Territory to arrange for Miss Morosi to be given priority in the provision of public housing.

We submit that the conduct alleged could not on any view constitute misbehaviour within the meaning of Section 72 of the Constitution and that the Commission should merely note that the matter was brought to its attention.

Matter No.32 - Connor view of the Briese matter

(See attached memorandum of M. Weinberg and A. Robertson dated 16 July 1986).

Matter No.34 - Wood shares

This matter consisted of an allegation that in the late 1960s the Judge, whilst a Senator, was given a large parcel of shares by another Senator, Senator Wood. The inference the Commission was asked to draw was that there was something improper in the transaction.

The allegation was supported by no evidence whatever. As the former Senator who allegedly gave the Judge the shares is now dead and the shares cannot be identified, we recommend that the Commission should do no more than note that the claim was made.

Matter No.35 - Soliciting a bribe

It was alleged that in 1972 or 1973 the Judge, whilst Minister for Customs and Excise, solicited a bribe from Trevor Reginald Williams. Williams was at the time involved in defending a customs prosecution and he asserted that the Judge offered to "fix up" the charges in return for the payment of \$2000.00.

Williams was interviewed but the facts as related by him did not, in the view of those assisting the Commission, provide any evidence to support the claim.

There being no material which might amount to prima facie evidence of misbehaviour within the meaning of Section 72 of the Constitution we recommend the matter be taken no further.

Matter No.37 - Direction concerning importation of pornography

There were two allegations concerning the same conduct of the Judge whilst he was Attorney-General and Minister for Customs and Excise.

The allegations were that in 1973 the Judge had issued a direction that Regulation 4A of the Customs (Prohibited Imports) Regulations, as they then stood, should be ignored with the result that pornography was imported without any written permission and thereby contrary to the regulations.

Investigations showed that the direction emanated from a meeting in June 1973 between the then Senator Murphy and senior officials of his Departments, the Attorney-General's Department and the Department of Customs and Excise. The direction given was under the hand of a G E Sheen for the Comptroller-General and was in terms that "customs resources engaged in screening imported goods should be primarily concerned with the detection of prohibited imports other than material which offends Regulation 4A ... For the time being there are to be no prosecutions under the Customs Act for offences involving pornography."

The direction resulted from the Attorney-General agreeing with proposals in a departmental paper on censorship policy. At that time it was proposed by the Government that the regulations be amended to correspond with Government policy.

It was noted in the Minutes of the meeting in June 1973 that the Attorney-General agreed that it would be necessary to compromise in the implementation of policy in order to meet the requirements of the current law.

The direction was continued until the amendments to the legislation were made in February 1984.

We submit that there is no conduct disclosed which could amount to misbehaviour within the meaning of Section 72 of the Constitution. We recommend that the matter be taken no further.

Matter No.38 - Dissenting judgments

A citizen alleged that the Judge through "continued persistence in dissenting for whatever reason, can engender towards him such disrespect as to rank his performance to be that of proved misbehaviour".

We submit that the conduct alleged could not on any view constitute misbehaviour within the meaning of Section 72 of the Constitution and that the Commission make no inquiry into this matter.

Matter No.41 - Comment of Judge concerning Chamberlain committal

In answer to questions put to him in cross-examination during the Judge's second trial, Mr Briese SM gave evidence that the Judge had commented on the Chamberlain case. The context of the comment was that a second coroner had, that day or recently, decided to commit Mr and Mrs Chamberlain for trial on charges relating to the death of their daughter. The Judge's remark was to the effect that the decision by the Coroner was astonishing.

It was suggested that this conduct by the Judge might amount to misbehaviour in that it was a comment upon a matter which might, as it did, come before the Judge in his judicial capacity: it was therefore, so it was said, improper for the Judge to make known to Mr Briese his view of the decision to commit for trial.

We submit that the Chamberlain case was a matter of general notoriety and discussion, that the Judge's comments were very

general in their terms and that therefore the Judge's conduct could not amount to misbehaviour within the meaning of Section 72. We recommend that the matter be taken no further.

[REDACTED]

S. Charles

M. Weinberg

[REDACTED]

A. Robertson

[REDACTED]

D. Durack

[REDACTED]

P. Sharp

[REDACTED]

A. Phelan

21 August 1986

MEMORANDUM RE ALLEGATION NO 32

We have been invited to draft an allegation based upon the views of Mr Xavier Connor in his report to the second Senate Committee in 1984. In that report, Mr Connor suggested that even if it could not be shown that the Judge intended that Briese approach Jones with a view to inducing Jones to act otherwise than in accordance with his duty, the mere act of inviting Briese to make enquiry of Jones as to how the case against Morgan Ryan was progressing might amount to misbehaviour within the meaning of Section 72 of the Constitution. The difficulty which we have in drafting an allegation along those lines arises from Section 5 (4) of the Parliamentary Commission of Inquiry Act 1986. That sub section provides the Commission shall not consider -

- a) the issues dealt with in the trials leading to the acquittal of the Honourable Lionel Keith Murphy of certain criminal charges on 5 July 1985 and 28 April 1986 and, in particular, the issue of the Honourable Lionel Keith Murphy's guilt or innocence of those charges; or

- b) whether the conduct to which those charges related was such as to constitute proved misbehaviour within the meaning of Section 72 of the Constitution except to the extent that the Commission considers necessary for the proper examination of other issues arising in the course of the Commission's inquiry.

It is plain that there is a difference between the version given by Briese of the relevant conversation and that given by the Judge. That difference was fully explored during the course of the Judge's trials. It is impossible to know whether the jury which acquitted the Judge at his second trial did so merely because they were not satisfied that he had the requisite intent to pervert the course of justice, or because they were not satisfied that Briese's version of the conversation was correct. On any view the content of that conversation is central to the charge as laid against the Judge and ultimately disposed of by his acquittal. It seems to us that to raise this matter as a specific allegation in precise terms is to breach Section 5 (4) in that the matter in question is "an issue dealt with in the trial leading to the acquittal" of the Judge in the relevant sense, and to consider it would be

to consider "whether the conduct to which those charges related" was misbehaviour. We consider that the Commission is not empowered to consider the Connor view of the Briese matter except to the extent that it considers it necessary to do so for the proper examination of other issues arising in the course of the inquiry. We recommend that Allegation No 32 not proceed.

[REDACTED]
M Weinberg [REDACTED]

A Robertson

16 July 1986

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.

To: Director of Research

*agree your conclusions + recommendations
CWP 28/7/84 28.7.86.*

ALLEGATIONS NOS. 8 (ALLEGED DIAMOND FOR MRS MURPHY)
AND NO. 30 (TILLER LETTER TO QUARTERMAINE)

The purpose of this paper is to report the results of enquiries made in relation to the abovementioned allegations and to recommend that these matters not be pursued further on the basis that no reliable evidence is available.

During the course of our enquiries, a number of Australian Federal Police officers in Perth were interviewed and the relevant police files were examined. The following people were also interviewed concerning these allegations:

- . Wilson Tuckey M.P. (Re. Tiller/Quartermaine letter)
- . Dr Tiller (Re. Tiller/Quartermaine letter and alleged diamond for Mrs Murphy)
- . Mrs McKenzie (Nee Mrs Quartermaine - Re. Tiller Quartermaine letter and alleged diamond for Mrs Murphy)

Set out below under each allegation is the information gathered from the abovementioned sources;

Allegation No. 8 (Alleged Diamond for Mrs Murphy)

Background

On 13 September, 1984 an article appeared in The Age newspaper which contended that the words "diamond purchases - Mrs L Murphy 7,800" appeared on the reverse side of a cheque stub. The cheque book was recovered by The Age from Christo Moll. Moll claimed that the Mrs L Murphy referred to was the wife of Mr Justice Murphy. (A copy of a newspaper article on the matter is attached (Attachment A)).

*Original report on file C21
CWP.*

On the same day as the newspaper article appeared, the matter was raised in the Senate by Senator Chaney. In response, Gareth Evans read the following statement in the Senate on behalf of Mr Justice Murphy:-

"The Age story is a continuation of a disgraceful campaign of defamation by The Age now directed against my wife. My wife never has purchased a diamond in her life. There have been no dealings ever with Christo Moll of any kind. There is not an atom of truth in The Age story. I request that there be a full and prompt investigation of the allegations and of the role of The Age in this affair."

(Copy of Hansard references attached - Attachment B).

Mr Justice Murphy then lodged a complaint in relation to the article with the Australia Federal Police (AFP).

AFP Enquiries re Christo Moll

The AFP in Perth then commenced an investigation of this material. However, the activities of Christo Moll and his business dealings were already the subject of AFP investigation (and had been for some years).

Moll allegedly involved Perth doctors and others in Commodity Trading Agreements and other agreements dating back to 1972 which were in effect tax avoidance schemes. The first transactions were for Doctors, Wald, McKenzie and Tiller involving diamonds, silver and works of art. The early commodity trading contracts with C T Moll and Co. provided for 10% commission on profit as the only fee.

Later in the life of the schemes, when more doctors were availing themselves of Moll's services, fairly large sums of up to \$100,000 per doctor were being raised on a promissory note system. The amount was decided apparently at Moll's suggestion depending on the estimated taxable income of the doctor.

Moll would arrange for the various doctor's auditor (always Yarwood Vane and Co. later known as Deloitte Haskins & Sells) to

receive invoices to support the trading activities supposed by being conducted - all duly authorised by the doctors.

The AFP commissioned a firm of Chartered Accountants (Hungerford Hancock and Offner) to enquire into the commodity trading activities and in its report dated 22 February, 1984 it said in relation to the invoices:-

"It is clear that these invoices, used in or to give substance to the alleged transactions, were totally false - in most cases having been "manufactured" after initial investigations were made by the ATO." (Australian Taxation Office)

The subsequent ATO enquiries resulted in the recovery of significant sums from the doctors in taxes evaded and with some doctors ultimately going into bankruptcy. Christo Moll on the other hand left the country having misled the doctors as to the nature of the financial transactions. There are a number of current AFP warrants for the arrest of Christo Moll relating to conspiracy to defraud the ATO.

Investigation of the Diamond for Mrs Murphy Allegation

Following the appearance of the allegation concerning the diamond purchases for Mrs Murphy, further documents were provided to the AFP by The Age journalists. These were two valuations for a diamond of .74 carat, one from a Hendrina Boef in Amsterdam dated 24 January, 1979 headed:

"Valuation for Insurance Purposes Mrs Ingrid Murphy."
(Attachment C)

and the other from Robert Levinson of West Perth addressed:

"To whom it may concern." (Attachment D)

These two valuations, in addition to the earlier mentioned cheque stub, became the subject of AFP enquiries.

Inspector Roley Sellers (AFP Perth)

Inspector Sellers was interviewed in Perth over three days (21, 22, 23 July, 1986) by Jordan and Howard in relation to the Moll enquiries and in relation to the enquiries in respect of the specific allegation of the purchase of the diamond for Mrs Murphy. The interview with Inspector Sellers summarising the nature of the enquiries and his conclusions was recorded and this tape is being transcribed. However in summary, his conclusions (for reasons set out below) are:-

- i) the valuation certificate from Boef is false;
- ii) the information on the back of the cheque butt which shows the name Mrs L Murphy 7,800 is, in all likelihood, also falsely stated and;
- iii) the valuation from Levinson for a diamond of .74 carats cannot in any way be associated with the valuation referred to in i) above.

It should be noted that the material referred to in i), ii) and iii) above were all provided to The Age journalists by Christo Moll.

In relation to the Boef valuation (i) above), it has been established by the AFP in Perth, that Mrs Boef is in some way related to Moll and has at times been known as Hendrina Moll. It has also been established by the AFP that Mrs Boef at some point sent a signed, blank copy of her letterhead to Moll. The signature at the bottom of the Boef valuation (of which the original cannot be traced) is a photocopied reproduction of the signature appearing as photocopies on approximately 40 diamond purchase invoices on Mrs Boef's letterhead which are all described in the chartered accounts reports as false (several samples of these documents are attached behind Attachment E). The invoices were examined by a member of the AFP

"Document Examination Section and he concludes in his report that:-

"the documents bear photocopied signatures on each which very strong consistencies would indicate that they are reproductions of one signature."

The same officer examined the signature on the document purporting to value a diamond for a Mrs Murphy and described it as a reproduction of the signature on the invoices. (Attachment E).

Mrs Boef was interviewed on 30 August, 1985 by Dutch Police at the request of the International Criminal Police Organisation in Canberra. In part, her statement says:-

"I have also sent Moll some of my private notepaper (with my name on it) at Moll's request I had placed my signature on the notepaper before I sent it to him." (Attachment F)

Mrs Boef, in relation to some documents which Moll asked her to sign, says in her statement:-

"The documents I had to sign were in English and I did not understand them..... . At the time I did not question the contents of the documents because I trusted Moll completely when I signed the documents."

In relation to ii) above (ie. the information on the back of a cheque butt), enquiries were conducted by Inspector Sellers and his report is attached. (Attachment G)

Inspector Sellers sought to

- a) locate the relevant cheque,
- b) to trace it through banking records,
- c) to identify accounts that the money passed through and,
- d) locate any person named Murphy mentioned in the "Moll" enquiry.

Briefly, these enquiries show that on 23 February, 1978 a courier for Moll attended at the National Bank in North Perth with cheque no. 408542 in the sum of \$83,055.83 and obtained a bank cheque in favour of the ANZ Bank. The bank cheque was then returned to Moll. An application for foreign currency dated 23 February, 1978 (the same date as the cheque) for the sum of Pounds 48,072 in the form of a draft in favour of Mobitt Ltd, Hong Kong was made, which states the reasons as "accommodation and tour arrangements, various clients." (Mobitt is one of a number of "Moll" companies).

The cheque butt was examined by an officer of the W.A. Police Scientific Branch. He is of the opinion that the date and amount written on the front of the cheque butt and the writing on the cheque itself were made by a similar type of felt pen. He then points out the overwriting has taken place and that altogether it is probable that five different writing instruments were used. (Attachment H)

In relation to the endeavour to locate any other Murphy mentioned in the Moll material, three were identified. One, Mrs E M Murphy of West Perth is deceased, and second, Mrs B Murphy claimed to have no dealings whatsoever with Moll and the third, Mrs E J Murphy could not be located. It is also understood by Inspector Sellers that a Mrs Murphy occupied an office next to Moll's office in London. However this Mrs Murphy has not been located.

In relation to the diamond valuation from Levinson, (a Perth jeweller dated 26 February, 1979, (iii) above) this document merely says 1 loose diamond .74 carat, \$2,830. Enquiries were made by the AFP in relation to this document, however it was determined that Mr Levinson died some years ago and no information could be obtained which might link this diamond in any way with any diamond mentioned in the Boef valuation (or on the Moll cheque butt). In any event (as mentioned above) there is substantial doubt as to the authenticity of the Boef

valuation. Further the amount shown on the cheque butt is 7,806 and the Levinson valuation shows 2,830. This significant discrepancy suggests in any event that they may well relate to different diamonds.

Conclusion

In conclusion it could be said that the enquiries undertaken by the AFP in relation to this matter were thorough and apparently properly conducted. Further, the issue of a diamond purchase for Mrs Murphy was raised by us with a number of people associated with the Moll schemes (Mrs McKenzie (Re. Quartermaine and Dr and Mrs Tiller). None of those spoken to was aware of any diamond bought for or given to a Mrs Murphy.

Clearly the available documentation is unreliable and would not support any conclusion that a Mrs Murphy either purchased (or received by way of gift) any diamond. Indeed there must be considerable doubt in the light of information provided concerning the character of Christo Moll, whether the relevant diamond ever existed.

Allegation No. 30 - The Tiller Quartermaine Letter

The alleged letter from Dr Tiller to Mr Quartermaine (Attachment I) was raised by Wilson Tuckey, MP in the Federal Parliament on 15 October, 1985. The letter dated Perth 18 June, 1979, in part says:-

"Can you arrange another meeting with Lionel Murphy as promised as you may be able to obtain his support or his advice. We require solid backing to favourably influence the outcome of our present problems."

This matter was also investigated by the AFP in Perth. Dr Tiller was interviewed on 5 April, 1985 by Detective Sellers and a copy of the record of conversation is attached. (Attachment J)

Dr Tiller identified the signature at the bottom of the letter

as being similar to the signature he used in 1978-1979. He stated that on 18 June, 1979 (the date of the letter) he was in Canada and he showed Detective Sellers his passport which verified that fact. Tiller stated that:-

"I have never seen this letter before, I didn't write this letter, it's all bullshit."

Dr Tiller said that he had met Ron Woss (referred to in the letter) sometime in 1978 but never in his surgery. In relation to the tax investigation, Dr Tiller said that he made no inducements to officers in the Tax Department and said;

"What he describes is corruption and I don't agree with corruption at all."

The letter also refers to a solicitor named John Gillett; Dr Tiller said that Gillett was not his solicitor and:

"the letter is dated 11 June, 1979 (sic) and the meeting all the doctors had with Gillett was in July, 1979. The meeting took place after the letter. I went to the meeting and I was disgusted with the man, he talked a load of bullshit, I wouldn't have him as my solicitor."

In relation to the style of the letter Dr Tiller said ..

"It's not my language, I'd have no reason to write to Murray ... if I wanted to discuss anything with him I would go and see him."

During the course of the interview Dr Tiller stated that it looked to him as though:-

"he (Moll) has taken a blank letter of mine with my signature on it and typed in the letter...Moll asked me to give him blank letterheads when he was my manager. He said it would assist his trading on behalf of Lee Trading. That struck me as being strange, it's like giving someone a blank cheque, but that's what it looks like he has done, I trusted the man."

Dr Tiller was interviewed by us on Tuesday 22 July, 1986 and his recollection was consistent with the abovementioned interview report.

Jordan and Howard also interviewed Mrs McKenzie (nee Quartermaine) concerning her knowledge of any association or friendship between her ex husband (Quartermaine) and Mr Justice Murphy. Mrs McKenzie said that she knew of no association between the two men. She said that for quite some years before their separation there had been little communication between herself and her ex husband and she knew little of her husband's business affairs or social associations.

It should also be mentioned that in a taped conversation between the ex Age journalist Marshall Wilson and Mr Quartermaine which was provided to the Commission of Inquiry on Sunday 13 July 1986, Quartermaine says that he met Justice Murphy only once (and briefly) for drinks at a social gathering at the Judge's office in Sydney when he was a Senator.

Conclusion

In conclusion, there seems to be no further possible sources of information to establish conclusively, the identity of the author of the letter. The AFP appear to be convinced by Dr Tiller's explanation and therefore have taken the matter no further. Also from the enquiries we have made there seems to be no information available which links Quartermaine and Mr Justice Murphy in any close sense.

The general consensus (AFP & Dr Tiller) is that Moll is the author of both the Tiller/Quartermaine letter, the Boef diamond valuation and the notations on the back of the cheque butt.

As to a motive for Moll's preparation of this material, it is put by the AFP and Dr Tiller that Moll and Quartermaine who were once close business associates and friends had serious commercial disputes which culminated in a protracted Supreme Court action brought by Quartermaine against Moll in South Africa in 1982 for money Quartermaine alleged that he had lent to Moll over a number of years.

The action resulted in an award of \$420,000 dollars plus \$100,000 cost to Quartermaine. However, this amount seems not have been received by Quartermaine as Moll, (according to Dr Tiller) left the country under an assumed name the day before the judgement was delivered.

The AFP and Dr Tiller are of the view that Moll bears a great deal of animosity towards Quartermaine and has taken the opportunity to cause the greatest possible mischief for him through the creation of false documents. Dr Tiller also says that Moll appears to him to be paranoid in relation to doctors and envies their social status and would seek to discredit him (Tiller) and his doctor colleagues in any way possible. No theory has been advanced by any of the parties interviewed as to why Mr Justice Murphy and his wife may have been included in these possibly false documents other than the suggestion that he was a prominent public figure at that time.

Recommendation re. Allegations No. 8 and 30

In the light of the investigations undertaken by the AFP (coupled with our own enquiries) which have not produced any conclusive evidence to establish that:-

- a) Mrs Murphy either bought or received a diamond or that;
- b) Mr Justice Murphy had any close association with Mr Quartermaine or provided favours to Quartermaine and/or his Doctor colleagues,

it is recommended that no further enquiries be made in these matters.

N.J.

Ned Jordan

M.H.

Mark Howard

0145M

14 SEP 1984

says Mr Justice Murphy



CANBERRA — Mr Justice Murphy yesterday declared that there was "not an atom of truth" in an 'Age' report allegedly linking his wife's name to a Christo Moll cheque stub. He called for a full investigation of the allegations and the role of 'The Age'.

match those held by the police, the Mrs L. Murphy referred to is the wife of Mr Justice Murphy of the High Court. The figure 7800 was the cost in dollars of a single flawless stone, Mr Moll claimed. Senator Evans said that Mr Justice Murphy had contacted his office yesterday morning and asked for his statement to be read to the Senate.

cheques and cheque books he had had the reverse stub with the Murphy name on it, and if so, why he had not tabled this.

those whom he can to his own political advantage.

The Attorney-General, Senator Evans read a brief statement by Mr Justice Murphy to the Senate at the start of a morning of questions and debate which culminated in the Senate censuring the Resources Minister, Senator Walsh for allegedly selectively tabling documents.



Mrs Murphy: "Never purchased a diamond in her life," says her husband.

Despite constant pressing, Senator Walsh failed to deny at Question Time or during the censure debate that he had the copy of the cheque butt.

"On this occasion we believe Senator Walsh has passed beyond the line which is even bearable," Senator Chaney said. He said that by tabling the Moll material, Senator Walsh had cast "a nice smelly cloud" over the Director of Public Prosecutions Mr Ian Temby, QC, Liberal Senator Noel Crichton-Browne and himself and now Mrs Murphy and Mr David Ditchburn (husband of Julie Morosi), who had appeared in 'The Age' report.

This is the first time since 1974, during the Whitlam Government, that the Senate has carried a censure against a Minister.

Mr Justice Murphy's statement said: "The Age' story is a continuation of a disgraceful campaign of defamation by 'The Age' now directed against my wife.

However, after the Opposition and Democrats, who have a majority in the Senate, had carried the censure, Senator Walsh made a brief personal explanation in which he said: "I do not have, and have never had, a photocopy of the back of that butt."

The former law firm of Senator Chaney and Mr Temby was mentioned in the material tabled, as was the name "Crichton-Brown".

The 'Age' reported yesterday that the words "diamond purchased Mrs L. Murphy 7800" appeared on the reverse side of a cheque stub, the face of which had been tabled by Senator Walsh in Parliament on Wednesday.

"My wife has never purchased a diamond in her life. There have been no dealings ever with Mr Christo Moll of any kind. There is not an atom of truth in 'The Age' story. I request that there be a full and prompt investigation of the allegations and of the role of 'The Age' in this affair."

The Opposition Leader in the Senate, Senator Chaney, last night said Senator Walsh's performance and explanation had been extraordinary. Quite clearly Senator Walsh had been chastised by his colleagues who had brought him back to make a last minute explanation, Senator Chaney claimed.

Senator Chaney last night said Senator Walsh should "do the honorable thing and resign".

The cheque book was recovered last year by 'The Age' from Mr Moll and is now held by Federal Police in Perth.

The Opposition moved the censure against Senator Walsh after he refused to answer a series of questions asking whether, when he tabled the copies of Moll

Senator Evans told the Senate that he proposed to raise Mr Justice Murphy's request for an investigation with the Special Minister of State, Mr Young "I will advise the Senate at some appropriate time of the course those investigations in fact follow," the attorney-general said.

A number of Labor senators were dismayed and embarrassed yesterday at Senator Walsh's performance in Question Time and the censure motion. Last night Senator Walsh claimed that when he went into Parliament yesterday morning he had not read 'The Age' report and he was not sure whether the piece of paper with "Mrs L. Murphy" on it was or was not among the papers he had.

Continued: PAGE 5

FROM PAGE 1

'Disgraceful' claim, SEP 1984 says Murphy

In answer to one of three Opposition questions, Senator Walsh said: "I tabled those documents yesterday without comment as to whether there was anything written on them. I am satisfied that they are genuine photocopies. I also note for the record that the name, L. Murphy, is much more common than Crichton-Browne."

Replying to the censure, Senator Walsh said he had had the photocopies in his office for some time, and some had been tabled before. "I retrieved them yesterday because I was expecting the sort of muck-raking murky attack that was launched by the Liberal Party in the House of Representatives."

The Federal Government will give Mr Justice Murphy "roughly about \$40,000" to help pay legal costs he incurred during hearings of the Senate select committee on the conduct of a judge, a Senate estimates committee was told yesterday.

MINISTERIAL ARRANGEMENTS

Senator **BUTTON** (Victoria—Leader of the Government in the Senate)—I yesterday couched an announcement about the Minister for Veterans' Affairs, Senator Gietzelt, in terms that he will be absent for the whole of the week through illness. That remains the case, and any questions to him should be directed to the Minister for Social Security, Senator Grimes.

QUESTIONS WITHOUT NOTICE

'AGE' ALLEGATIONS

Senator **CHANEY**—Is the Leader of the Government in the Senate aware of an article in today's Melbourne *Age* which claims that the name of Mrs L. Murphy appears on the back of a cheque stub, a copy of the front of which was tabled in the Senate yesterday as one of a series tabled by the Minister for Resources and Energy in an attempt to smear members on this side of the House? Has the Minister made any inquiries to ascertain whether the facts contained in the *Age* are correct?

Senator **BUTTON**—Mr President, I am not aware of the article in the Melbourne *Age*. I have not seen the *Age* this morning.

Senator **Crichton-Browne**—Would you like a copy now?

Senator **BUTTON**—I am grateful to Senator Crichton-Browne for his help, but I believe that the Attorney-General is aware of this matter. If Senator Chaney wishes to redirect the question to him, it may obtain an earlier answer.

Senator **GARETH EVANS**—Mr President, I seek to add something on this matter. Just a few minutes before Question Time, my office was contacted by Mr Justice Murphy of the High Court who asked that the following statement be made in the Parliament should the opportunity arise or should it be required. The statement is to the following effect:

The *Age* story is a continuation of a disgraceful campaign of defamation by the *Age* now directed against my wife. My wife never has purchased a diamond in her life. There have been no dealings ever with Mr Christo Moll of any kind. There is not an atom of truth in the *Age* story. I request that there be a full and prompt investigation of the allegations and of the role of the *Age* in this affair.

I have had no opportunity to do more than write that down and now retail it to the Senate. I propose to raise the matter with the Special Minister of State who, I presume through the Australian Federal Police, is responsible for investigations of the kind His Honour has in mind. I will advise the

Senate at some appropriate time of the course those investigations in fact follow.

Senator **CHANEY**—Mr President, I wish to ask a supplementary question. I preface it by saying that I acknowledge the propriety of the Attorney-General reading the statement that he has read. I believe that that is just as proper as the statements made by Senator Crichton-Browne and me yesterday in similar circumstances. My supplementary question relates to the fact that the Minister has not really addressed the question that I asked the Leader of the Government, and I would be grateful if he would. First, I asked whether the Minister was aware of the article, and it appears that the Attorney-General is. The article claims that the name appears on the back of cheque stubs and so on. There are a series of allegations in the article about that. My question is: Have any inquiries been made to ascertain whether the facts contained in the *Age* report are correct? I wish to emphasise that I am not asking whether Mrs Murphy got a diamond. I am not for a moment suggesting that that is the case. I am asking about the facts in the article, which suggests that there are certain writings on cheques or what purport to be cheques and whether the facts are as broadly set out in this document? Apparently the document is in the hands of the Federal Police, so this is a matter which ought to be within the knowledge of the Government.

Senator **GARETH EVANS**—I became aware of this article only a few minutes ago—in fact, at the time that the phone call came through to my office. My attention this morning was preoccupied with another article in the *Age* which I shall make the subject of a full personal explanation straight after Question Time, if the matter is not pursued in Question Time. I literally have not absorbed the detail in the article, except to notice that it is not only about the alleged involvement of a Mrs L. Murphy, but also about a series of transactions involving Mr Christo Moll. It is well known that there is a long-standing Federal Police investigation of that gentleman and various commercial transactions in which he has been involved. I will endeavour to find out the state of play on that investigation and advise the Senate in due course as to what can be put on the public record about that, including the particular matters that are raised in the course of this article.

COMMONWEALTH CAR DRIVERS DISPUTE

Senator **ELSTOB**—My question is directed to Senator Button, who represents the Minister for Employment and Industrial Relations. I refer to the recent Commonwealth car drivers dispute in

Questions

Canberra. agreement and prom broken by vices in J with the T the Gover sensus on form the c cerned in Services w Common want to al may find t stead of ca

Senator tails of the officers of vices in the wealth car Minister 1 Senator Els

Senator the Ministe refers to th yesterday t been the su Will the M ment whel forms and t tion of imp individuals them?

Senator I stage wheth endo or all the exact ex used—

Senator I

Senator E call the cate tion. If it is am unable t clusion can't doing on the further discu that matter.

Senator I question. In this matter v ments by o Government

HENDRINA BOEF

Antiquaire



Messrs. Four Winds Trading
P.O. Box 510
Fremantle
WESTERN AUSTRALIA 6160

Dear Mr. Quartermoine,

VALUATION FOR INSURANCE PURPOSES

Mrs. Ingrid Murphy

One (1) only round brilliant cut commercial white
diamond V.V.S. 0.74 Cts.

I consider that the above mentioned diamond has an
estimated retail replacement value of NINE THOUSAND
Netherlands guilders.

Assuring you of my best services at
all times, I remain,

Yours Sincerely,
Mrs. Hendrina Boef

N.B. Certificate
issued in duplicate.

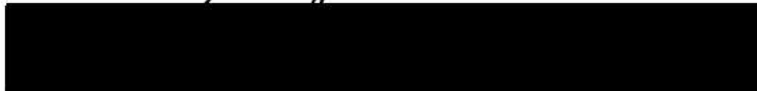


ROBERT LEVINSON, F.G.A.A.

ATTACHMENT ¹
No 1142 A

Jewellery Designer - Valuer - Insurance

copy



NAME To Whom it may concern DATE 21-2-73

ADDRESS _____ ADVISE PHONE _____

_____ WANTED _____

DEAR CLIENT

Having inspected your jewellery listed hereunder I consider its present day replacement value to be:

<u>1 loose diamond .74 carats</u>	<u>\$ 2</u>
	<u>\$ 2830</u>
	<u>F.G.A.A.</u>

Y.G. - YELLOW GOLD W.G. - WHITE GOLD N.L. - NOT LEFT

HENDRINA BOEF

Antiquaire



ink NT

Messrs. Four Winds Trading
P.O. Box 510
Fremantle
WESTERN AUSTRALIA 6160

Dear Mr. Quartermaine,

VALUATION FOR INSURANCE PURPOSES

Mrs. Ingrid Murphy

One (1) only round brilliant cut commercial white
diamond V.V.S. 0.76 Cts.

I consider that the above mentioned diamond has an
estimated retail replacement value of Wm. Thoburn
Netherlands guilders.

Assuring you of my best services at
all times, I remain,

Yours Sincerely,

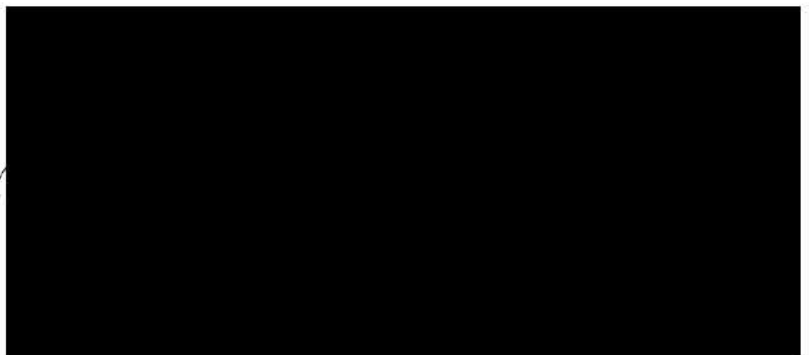
Mrs. Hendrina Boef

N.B. Certificate
issued in duplicate.

This signature is a photocopied
reproduction of the
signatures as appearing
as photocopies on
47 documents received
from Det Sgt SALES AFP Perth

• John Lee Yeoman
Oct 29/1985

W.A. Police Document Examination Section
Perth



HENDRINA BOEF

Antiquaire



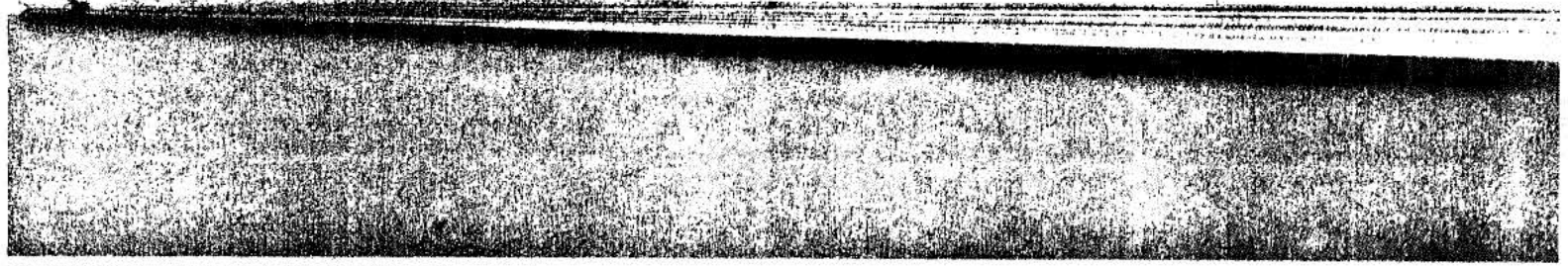
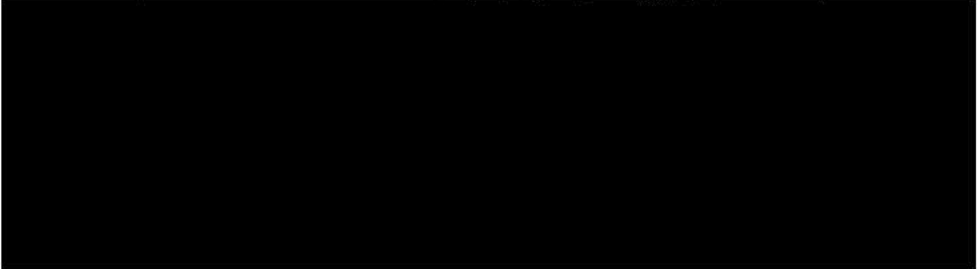
31 March 1978

The Treasurer
Mogill Limited
Alexandra House
11th Floor, 16-20 Chatis Road
HONG KONG

PURCHASE INVOICE

To Diamonds purchased from you on account of MAX TRAUB and ALISA TRAUB

<u>DESCRIPTION</u>	<u>VALUE</u> US\$
ONE (1) ONLY BRILLIANT CUT COMMERCIAL WHITE DIAMOND V. V. S. 2nd PIQUE 1.29 CARATS	3,291.00
ONE (1) ONLY BRILLIANT CUT COMMERCIAL WHITE DIAMOND V. V. S. 2nd PIQUE 1.34 CARATS	3,347.00
ONE (1) ONLY BRILLIANT CUT COMMERCIAL WHITE DIAMOND V. V. S. 2nd PIQUE 1.42 CARATS	3,459.00
ONE (1) ONLY BRILLIANT CUT COMMERCIAL WHITE DIAMOND V. V. S. 2nd PIQUE 1.69 CARATS	3,701.00
ONE (1) ONLY BRILLIANT CUT COMMERCIAL WHITE DIAMOND V. V. S. 2nd PIQUE 1.01 CARATS	2,897.00
ONE (1) ONLY BRILLIANT CUT COMMERCIAL WHITE DIAMOND V. V. S. 2nd PIQUE 1.05 CARATS	2,925.00
ONE (1) ONLY BRILLIANT CUT COMMERCIAL WHITE DIAMOND V. V. S. 2nd PIQUE 1.17 CARATS	3,195.00
	<hr/>
	US \$ 22,815.00
	<hr/> <hr/>





31 March 1978

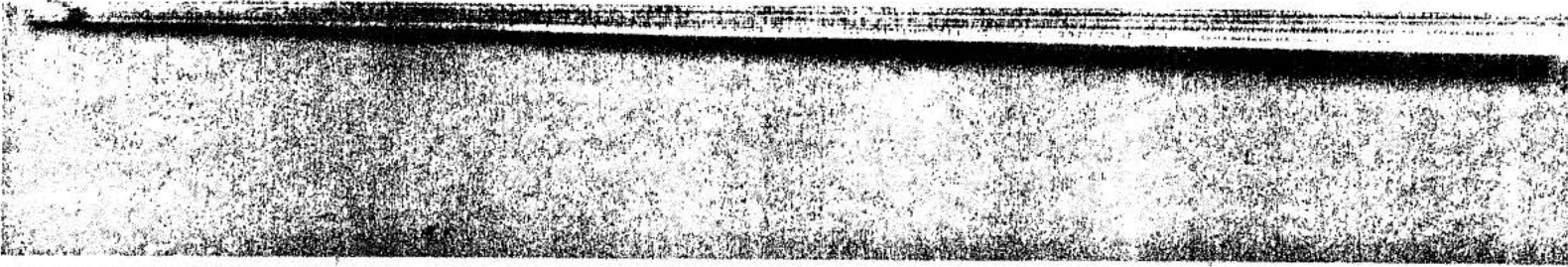
The Treasurer
Mogill Limited
Alexandra House
11th Floor, 16-20 Chatis Road
HONG KONG

PURCHASE INVOICE

To Diamonds purchased from you on account of MAX TRAUB and ALISA TRAUB

<u>DESCRIPTION</u>	<u>VALUE</u> US\$
ONE (1) ONLY TOP SILVERCAPE BRILLIANT CUT DIAMOND FLAWLESS 3.01 CARATS	16,425.00
ONE (1) ONLY BRILLIANT CUT COMMERCIAL DIAMOND YELLOW CAPE V. S. 7.85 CARATS	30,937.00
ONE (1) ONLY BRILLIANT CUT SILVERCAPE DIAMOND V. V. S. 6.78 CARATS	36,281.00
ONE (1) ONLY TOP WESSELTON BRILLIANT CUT DIAMOND V. V. S. 2.06 CARATS	18,000.00
ONE (1) ONLY ROUND BRILLIANT DIAMOND FLAWLESS RIVER COLOUR GRADE E 1.98 CARATS	32,625.00
ONE (1) ONLY BRILLIANT CUT COMMERCIAL DIAMOND OFF-WHITE V. S. 5.21 CARATS	27,112.00

US \$ 161,380.00





26 May 1978

The Treasurer
Mogill Limited
Alexandra House
11th Floor, 16-20 Chatis Road
HONG KONG

PURCHASE INVOICE

To Diamonds purchased from you on account of NORMAN KEITH CROOKE

DESCRIPTION

VALUE
US\$

ONE (1) ONLY ROUND BRILLIANT CUT FLAWLESS DIAMOND
COLOUR GRADE D TOTALLING 3.8 CARATS

81,562.00

ONE (1) ONLY TOP WESSELTON COMMERCIAL WHITE
BRILLIANT CUT DIAMOND V.V.S. 2.8 CARATS

11,025.00

SIX (6) ONLY SILVERCAPE COMMERCIAL DIAMONDS
FLAWLESS TOTALLING 38.05 CARATS

145,125.00

ONE (1) ONLY BRILLIANT CUT FLAWLESS DIAMOND
COLOUR GRADE D 3.02 CARATS

70,200.00

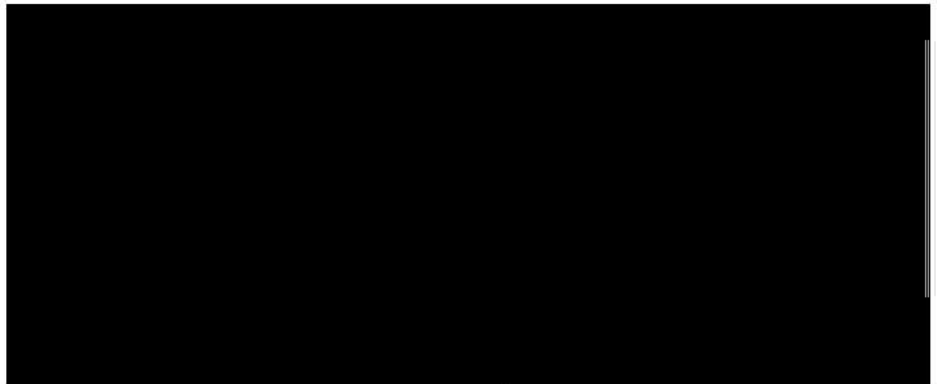
ONE (1) ONLY BRILLIANT CUT COMMERCIAL WHITE
DIAMOND V.V.S. TOTALLING 3.88 CARATS

21,656.00

ONE (1) ONLY TOP CAPE BRILLIANT CUT COMMERCIAL
DIAMOND TOTALLING 9.64 CARATS

92,812.00

US \$ 422,380.00



HENDRINA BOEF

Antiquaire



20 May 1978

The Treasurer
Mogill Limited
Alexandra House
11th Floor, 16-20 Chatis Road
HONG KONG

PURCHASE INVOICE

To Diamonds purchased from you on account of MARCUS OLIVER DILL-MACKY

<u>DESCRIPTION</u>	<u>VALUE</u> US\$
ONE (1) ONLY ROUND BRILLIANT CUT DIAMOND RIVER FLAWLESS COLOUR GRADE E SPECIFIC 3.72 CARATS	84,746.00
ONE (1) ONLY ROUND BRILLIANT CUT DIAMOND RIVER FLAWLESS COLOUR GRADE E SPECIFIC 3.71 CARATS	84,518.00
ONE (1) ONLY ROUND BRILLIANT CUT DIAMOND RIVER FLAWLESS COLOUR GRADE E SPECIFIC 3.96 CARATS	90,214.00
ONE (1) ONLY ROUND BRILLIANT CUT DIAMOND RIVER FLAWLESS COLOUR GRADE E SPECIFIC 3.42 CARATS	77,912.00
ONE (1) ONLY ROUND BRILLIANT CUT DIAMOND RIVER FLAWLESS COLOUR GRADE E SPECIFIC 3.55 CARATS	80,873.00
ONE (1) ONLY ROUND BRILLIANT CUT DIAMOND RIVER FLAWLESS COLOUR GRADE E SPECIFIC 3.20 CARATS	72,900.00

US\$ 491,163.00



HENDRINA BOEF

Antiquaire



31 March 1978

The Treasurer
Mogill Limited
Alexandra House
11th Floor, 16-20 Chatis Road
HONG KONG

PURCHASE INVOICE

To Diamonds purchased from you on account of MAX TRAUB and ALISA TRAUB

<u>DESCRIPTION</u>	<u>VALUE</u> US\$
ONE (1) ONLY BRILLIANT CUT COMMERCIAL WHITE DIAMOND V, V, S. 2.56 CARATS	18,900.00
ONE (1) ONLY BRILLIANT CUT CAPE V, V, S. YELLOW DIAMOND 5.96 CARATS	20,250.00
ONE (1) ONLY ROUND BRILLIANT CUT PURE WHITE DIAMOND 1.52 CARATS COLOUR GRADE E FLAWLESS	33,525.00
ONE (1) ONLY BRILLIANT CUT TOP WESSELTON DIAMOND V, V, S. 2.03 CARATS	19,406.00
ONE (1) ONLY TOP SILVERCAPE BRILLIANT CUT DIAMOND FLAWLESS 6.78 CARATS	41,062.00
ONE (1) ONLY ROUND BRILLIANT CUT TOP WESSELTON DIAMOND TOTALLING 3.22 CARATS V, V, S.	40,725.00

US \$ 173,868.00





INTERNATIONAL CRIMINAL POLICE ORGANISATION

NATIONAL CENTRAL BUREAU OF AUSTRALIA
P.O. Box 806, Canberra City, A.C.T. 2601
Telephone: Telex: 62640

Our Ref: TP/D/110/79/244

Your Ref: WA79/2058

Commander
Australian Federal Police
WESTERN REGION

(Attention: Detective Station Sergeant R.W. SELLARS)

Dear Sir

OPERATION EDAM - BOEF, Hendrina - Born 26 June 1907

I refer to your dispatch letter dated 27 June 1985.

Attached please find a report received from The Hague Municipal Police Force through our representative at The Hague.

Yours faithfully

[Redacted signature block]

(M.J.M. VINCENT)
Head
Australian National
Central Bureau

The Hague Municipal Police Force

Judicial Police

Central CID

Bureau II

No. 30165/1985

Subject: Official Report concerning the questioning of H. BOEF

OFFICIAL REPORT

With reference to the letter received from Interpol The Hague on 1 August 1985 which contained a letter from Interpol Canberra with enclosures and in which it was requested to question H. BOEF of Zilverschoonstraat 1 a in The Hague, I, Elbard Herman Jacob JENTINK, Constable 1st Class in the Police of The Hague, have to report that I have made enquiries as requested.

Enquiries conducted at the Population Recordsdepartment of The Hague revealed that H. BOEF is the person named Hendrina BOEF, born [REDACTED] Ijsselstijn, residing [REDACTED]

On Thursday 29 August 1985, at 09.30 hours, I, reporting officer JENTINK, questioned at her home the witness: Hendrina BOEF, born [REDACTED] Ijsselstijn with no occupation, residing at [REDACTED]

When I had told her the nature of my enquiry and had shown her the documents enclosed with the letter from Interpol Canberra, she made the following statement:

"At the Promenade Hotel in The Hague I have had a meeting with a man whom I know as Christo MOLL and another man who was introduced to me as the lawyer of MOLL, I do not know the name of the second man. I do not remember when the meeting took place. In any case it was several years ago. It is quite possible that the meeting took place on 5 July 1979. The meeting took place at the request of MOLL.

During the meeting at the hotel MOLL asked me to sign some documents. The documents I had to sign were in English and I did not understand them. MOLL told me that he needed the documents to win "a case" he was working on. At the time I did not question the contents of the documents because I trusted MOLL completely when I signed the documents.

Among the Interpol Canberra documents which you have shown to me are not the documents which I have signed at the Promenade Hotel.

You have also shown me a statement, purportedly made by me in English. Having read the statement I wish to state that I certainly have not made that statement and that it is incorrect. Only on some minor points is the statement correct. The names mentioned in the statement mean nothing to me. Neither have I been involved in any way in any diamond transactions of MOLL with third parties. At one time MOLL asked me for the names of some diamond dealers which I gave to him. After I retired, when I do not longer worked as antique dealer either, I have sold antique silver objects to MOLL. However, that was not a business transaction. Like me MOLL was interested in antique silver objects and I had once said to him that he could buy such objects from me for the price I had paid for them.

MOLL once told me that he gave antique silver objects as a gift to persons with whom he had done important business. In that way MOLL has purchased about 10 silver objects from me when he was in Holland on business.

I have also sent MOLL some of my private notepaper (with my name on it). At MOLL's request I had placed my signature on the notepaper before I sent it to him. The reason for this was that, although I have a reasonable command of the english language I cannot write it faultlessly I had arranged with MOLL that if he bought a silver object from me, I would give a description of the object in Dutch and he would write the english translation of the description on the blank notepaper which I had already signed. For that purpose only did I send the letters to Australia to place at MOLL's disposal. The letterhead of my notepaper is similar to the letterhead of the invoices (or rather of the photocopies of the invoices) which you have received from Interpol Canberra and have subsequently shown to me.

../3

Insofar as the signatures on the photocopies are legible I recognize my signature. However, the handwritten text and the typed text on the invoices have most certainly not been written by me. I suspect that the notepaper in question has been abused.

As I do not know what has been written in the letters in question I cannot furnish any additional information about them. However, I have once been approached by the Dutch Internal Revenue Service about subjects which I was to have sold from Holland to Australia.

As I have said before I have met MOLL at the Promenade Hotel in The Hague, presumably on 5 July 1979. After that I have seen him only once more, I believe in July 1985.

MOLL rang the doorbell and requested a meeting I refused as I had meanwhile heard that he was engaged in questionable practices. After that I have not seen MOLL again. As far as I know MOLL lives in The Hague again, at the Van Moersselestraat; I do not know the number.

I have met C. MOLL through contact with his father We were acquaintances. I have known MOLL since he was 15 years old. I don't have, and have not had, a business relation with MOLL.

This statement has been read over by me and it is correct."

Sgd. H. Boef.

Enquiries at the Population Recordsdepartment in The Hague revealed that Christo Theo MOLL, born 25 March 1935 Palembang/Indonesia, is registered as residing at [REDACTED]

This Official Report has been prepared by me on Oath of Office.

It has been closed and signed by me in The Hague on friday 30 August 1985.

Sgd E.H.J. Jentink
Constable 1st Class
Municipal Police of The Hague



Australian Federal Police

Minute Paper

RS:mm
WA79/2058

SIN
008

The Commander,
WESTERN REGION

OPERATION EDAM
MOBITT CHEQUE ACCOUNT
COMPLAINTS BY MR JUSTICE LIONEL MURPHY

I refer to complaints lodged by Mr Justice Lionel MURPHY to Acting Commissioner JOHNSON, relating to articles which appeared in the Melbourne Age newspaper dated 13th September, 1984, and in particular to the matter of a cheque allegedly made out to Mrs L. MURPHY for the sum of \$A7,800 said to be for the purchase of a diamond ring.

As instructed, I have carried out; or caused to be carried out, immediate investigations to:

- (i) locate the relevant cheque,
- (ii) to trace the cheque through banking records, as far as possible, and
- (iii) to identify accounts that the money passed through, if any.

In addition to the specified instructions, I have also had additional enquiries made with a view to locating any person named MURPHY, mentioned in the 'MOLL' enquiry to date, and also have obtained the assistance of the West Australian Police Document Examination Bureau. The results of the investigations are as follows:-

Cheque Details

The cheque in question is one dated 23rd February, drawn on the account of MOBITT (W.A.) PTY. LTD., with the National Bank of Australia Ltd., North Perth Branch, located at 431-433 Fitzgerald Street. It is an order to pay a certified Bank cheque in favour of the Australia and New Zealand Bank Limited, or bearer, in the amount of \$83,055.83. The cheque was seized from the National Bank under search warrant during the early stages of the investigation. (Copy attached at A.)

../2

Relative Cheque Butt

The butt relative to the above cheque was apparently handed to MARSHALL-WILSON of "THE AGE" Newspaper by Christo Theo MOLL personally in mid 1983 when WILSON flew to interview MOLL in Europe, and it was one of a number of cheque butts numbered '408501-408600' contained in the related cheque book. (Copy attached at B.)

Two other cheques, both from the same series Nos. '408537 and 408573' have been the subject of allegations made by MOLL that the proceeds in the amount of \$5,000 and \$10,200 respectively were donations made to the Liberal Party using the agencies of

- (i) NORTHMORE HALE DAVY AND LEAKE,
(Solicitors) and
- (ii) SENATOR NOEL CRICHTON-BROWNE
(Copies attached at C and D.)

MARSHALL WILSON stated that when MOLL handed him the cheque butts they were already written on, and that MOLL did not write on them in his presence. It can therefore be assumed that the writing on the reverse side of the cheque which bears the name of Mrs L. MURPHY was written on by MOLL at sometime between the issue of the cheque on 23 February, 1978, and the date on which it was given by MOLL to MARSHALL WILSON in mid 1983.

Negotiation of Cheque No. 408542

Enquiries indicate that on 23 February, 1978 John Martin Craigie ELPHINSTONE, a known MOLL Courier attended at the National Bank in North Perth on MOLL's behalf with the cheque in question and signed an application for a bank cheque in favour of the Australia and New Zealand Bank Ltd., in the amount of \$83,055.83. Bank cheque No. 087266 was issued to ELPHSTONE. Whilst the Bank was able to produce a copy of the application for the bank cheque, they claim to have held no such copy of the cheque itself. It is believed to have been destroyed with the lapse of time (copy of Application for Bank Cheque attached at E.).

Enquiries have been made at both the Head Office of the Australia and New Zealand Banking Group, 84 St. George's Terrace, Perth, and at the Bank's Fremantle Office, where L.H. QUARTERMAINE's held an account. By this time, QUARTERMAINE's business interests had become a part of the West Australian Discount Corporation Pty.Ltd of which MOLL was Managing Director.

Records held by the Banking Group have since been destroyed, and no record is available of the negotiation of the bank cheque acquired by ELPHINSTONE for MOLL.

On Saturday 15 September, 1984 John ELPHINSTONE was interviewed and verified the above facts, stating that he was asked by MOLL to carry out the transaction and that upon obtaining the bank cheque from the National Bank at North Perth, he returned it to MOLL and knows nothing further about the matter.

Arising from the initial search of MOLL's offices located at 44 Parliament Square, West Perth in 1979 a number of documents were seized, among which was a copy of an application for Foreign Currency dated 23 February, 1978, (the same date as the relevant cheque) to the Australian and New Zealand Banking Group, 21 Adelaide Street, Fremantle for foreign currency amounting to £48072.00 in the form of a draft in favour of MOGILL LTD., Hong Kong, the purpose for which it was desired being stated as "Accommodation and tour arrangements, various clients". The application was signed by Graham SAGGERS who was Accountant for the West Australian Discount Corporation Pty. Ltd. at the time. The application was approved by the Bank to the amount of \$83055.75. (Copy of Application attached at E). There is reason to believe that this transaction indirectly relates to the cheque in question.

To date it has not been possible to gain access to MOGILL LTD., Hong Kong Banking records, although this must be considered one of the Task Force priorities in the near future.

MOBBIT (W.A.) PTY. LTD. Account

Enquiries have revealed that only MOLL signed cheques relative to the MOBITT Account. He always carried the cheque book personally, and it is perhaps significant that at the material time the MOBITT books were not being written up. There is reason to believe that MOLL was using cheques from this account for his own personal interests.

Operational Check - MURPHY

A check on all available information recorded in the computerization of operational records have revealed that three MURPHY's are recorded. A Mrs B. MURPHY of Sorrento, a Perth Suburb, a Mrs E.M. MURPHY of West Perth, and a Mrs E.J. MURPHY of Kelmscott, another Perth suburb. In the former case Mrs B. MURPHY claims to have had no dealings whatsoever with MOLL, Mrs E.M. MURPHY is deceased and attempts to locate the third person, Mrs E.J. MURPHY have been unsuccessful.

There is no reason to believe that any of the aforementioned were in anyway directly connected with MOLL. There is no evidence to indicate that Mr Justice Lionel MURPHY, or his wife had any business, or other connections with MOLL and neither his or her name appears in the records of Companies associated with MOLL and which we are in possession of.

Handwriting Examination

The cheque butt in question has been examined by First Constable James Nicholas HOFSTEE of the Questioned Document Section, W.A. Police Scientific Branch. He is of the opinion that the date and amount written on the front of the cheque book relating to cheque no. 40842, and the writing on the cheque itself were made by a similar type of felt-tip pen. He then points out that overwriting has taken place and that altogether it is probable that five different writing instruments were used.


A copy of the report of the Document Examiner, and related cheque and cheque butts are attached. F. & G.

In addition to the above, it is pointed out that the butts of another cheque book which had previously contained cheques No. 320601-320700 drawn on the National Bank of Australia's MOBITT Account has been in the possession of the Australian Federal Police since the execution of the initial search warrant in 1979. There is no writing whatsoever on the reverse side of any of the cheque butts which is in complete contrast to those received from MOLL by MARSHALL WILSON and which had obviously been in MOLL's possession for some considerable time after the collapse of his Companies.

5.

The two cheque butts applicable to accusations levelled against Senator CRICHTON-BROWNE and NORTHMORE, HALE, DAVY & LEAKE have also been examined by the handwriting expert, and his opinions raise serious doubts as to the authenticity of the documents.

18th September, 1984


R.W. SELLARS
Detective Acting Inspector

no request

lines
writing in the

notations
of words and
Barth, greater
the more
notable

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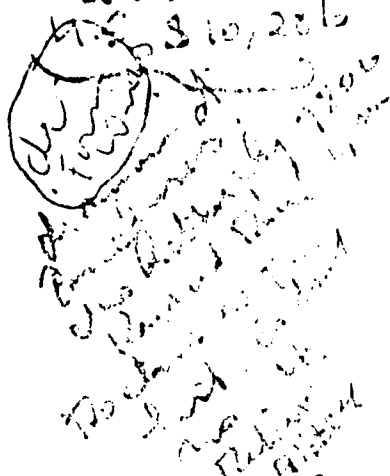
SHOW THE
OTHER

Conf. Rec. NY, G.

Elkovic, ...

Co. 14-4.

NY 8 10, 2016



(8)

S

REVERSE SIDE OF CHECK BUTT PLS

(B)

23-
For all...
L.H. Quarantine
G. N. Z.
B...

583, 155, 33

Personnel
at 408542

FACE SIDE OF CHARGE BUTT

different felt tipped pens have been used for the front and back of the bills

12.8. 1973
cash
Fwd.
Dep.
\$ 10200.00
Bal.

408573

ATTACHMENT H
 M.V.O.
 Director
 Liberal Party
 for
 1800
 authorized
 GOSB
 D.D.

- one type of pen/similar inks
- one type of pen/similar inks
- one type of pen/similar inks

16.12. 1974
cash
Fwd.
Dep.
\$5000
Bal.

408537

of course the
 Director Liberal
 Party

- black biro
- blue biro with felt tipped overwriting inks luminescence (similar ink).
- inks as that on cheque (similar).


23-2, 1974
For the gift L.H. Quarantine A.M.Z. Bank
Fwd.
Dep.
\$83,055.83
Bal.

Planned BL
 appo 408542

Conf. Fr.
 Elopia. A.V.O.
 cr. We Decker
 Co. H.K.
 \$10,286
 1800
 7800
 4000
 no check as per
 list. Contact
 Peking
 A.H.H.

MICHAEL C. TILLER

M.B., B.S. (W.A.), F.R.C.S.E., F.R.A.C.S.


PRIVATE AND CONFIDENTIAL

Perth, 18th June, 1979

Mr. M.V. Quartermaine

Dear Murray,

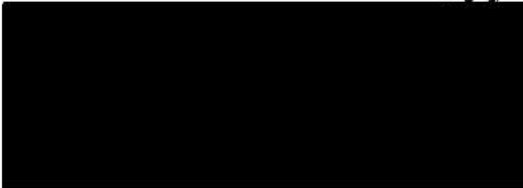
Thank you for your confidential note, I enclose the signed agreements as requested. I met David Alltree and Ron Woss at my surgery where I was told that the tax department will continue their investigations of the trading ventures and other related matters. It appears that further inducements to certain officers in the department will only prejudice our position despite their co-operation in the past. The accountants and John Gillett have promised to pull all possible strings as soon as Moll has been removed as chairman. I am anxious to avoid any public scandal and your political connections in Canberra may prove very helpful. Can you arrange another meeting with Lionel Murphy as promised as you may be able to obtain his support or his advice. We require solid backing to favourably influence the outcome of our present problems.

I appreciate your efforts, as do many of my colleagues, to ensure our reputations will be safeguarded. Marx Wald confirmed that you and Bill Brathwaite will return all available cash, gems etc. to Perth for re-allocation and distribution. I understand Quamolt's assets to be in excess of \$1,000,000, if so, I can look forward to settlement of my overseas expenses. We are all pleased that Shervington is helping you in Zurich and please ignore any approaches from Moll because he has proven to be unreliable.

David Alltree has written to you under separate cover enclosing the signed agreements you require to proceed with the matters discussed previously. Those items will also be delivered by courier.

I refer to the meeting of Wadco clients which was attended by Gillett and the accountants and if you have the time, I shall be obliged if you will phone me in order to keep me posted whether any progress has been made in obtaining the invoices for the tax department.

Good luck Murray and best regards,

Yours sincerely,


Roland Warwick SELLARS states:

I am a Detective Station Sergeant attached to the Australian Federal Police, Perth.

At 9.30 am on Friday 5 April, 1985, I went with Sergeant S. YORSTON to [REDACTED], where I had the following conversation with Doctor Michael TILLER. His wife was also present.

I said, "Doctor TILLER, we have met, I am Sergeant SELLARS and this is Sergeant YORSTON. We have come into possession of a couple of documents which may have far reaching implications. I'd like to discuss them with you and invite you to comment on them if you care.

I showed Dr. TILLER a photocopy of a letter dated 18 June, 1979 apparently directed to Murray QUARTERMAINE, which bore the signature 'MICHAEL TILLER'.

I said, "Is this your signature on the bottom of this letter?" (Indicating the one in question.)

He said, "Yes, it appears to be similar to the signature I was using in about 1978-79.

I said, "I'd like you to read the contents of the letter."

Dr. TILLER then appeared to read the letter. His wife also appeared to read it.

.../2

Statement of Roland Warwick SELLARS cont.

He said, "I was in Canada in June, 1979, what's he talking about?"

I said, "Are you sure about that?"

He said, "I can prove it, I'll get my passport."

Dr. TILLER then left the room and returned a short while later with an Australian Passport. He showed me an entry in the passport which consisted of a stamp bearing the following:

'CONSULAR P.F.I. IMM & NATZ. SERVICE VANCOUVER B.C. 523 FOR ADMISSION AT JUN 18 1979.'

He said, "There I was overseas."

I said, "I'd like to go over the contents of this letter with you. The letter says - 'I enclose the signed agreements as required.'

Do you know what agreements are being referred to?"

He said, "No, I've never seen this letter in my life before, I didn't write this letter, it's all bullshit."

I said, "Did you ever meet Ron WOSS at your surgery?"

He said, "I think I met him some time in 1978 but never in my surgery."

I said, "Did you ever offer inducements to Officers in the Taxation Department?"

He said, "No, Tax were investigating me what he describes is corruption and I don't agree with

.../3

Statement of Roland Warwick SELLARS cont.

corruption at all."

I said, "The letter goes on to say that Tax Officers co-operated in the past. What do you have to say to this?"

He said, "No, they have never co-operated. I am reading on here. Who is QUAMOLT, I had never heard of them, that's QUARTERMAINE and MOLL isn't it?"

I said, "Was GILLETT your Solicitor?"

He said, "No, and that's another thing, the letter is dated 11 June, 1979 and the meeting all the doctors had with GILLETT, was in July, 1979. The meeting took place after the letter. I went to the meeting and I was disgusted with the man, he talked a load of bullshit, I wouldn't have him as my Solicitor."

I said, "The letter goes on to say, 'Can you arrange another meeting with Lionel MURPHY?' What have you to say to this?"

He said, "Gee, I'm in good company aren't I, I've never met the man."

I said, "Do you type at all?"

He said, "No, I can't type, my Receptionist does my typing, she's been with me for ages, when all this was on, you can go and see her if you wish."

I said, "Does your wife type?"

He said, "Yes, she does a bit."

.../4

Statement of Roland Warwick SELLARS cont.

I said, "Have you any further comment to make on this letter?"

He said, "No, it's all bullshit, it's not my language, I'd have no reason to write to Murray, I have known him from our rugby days. If I wanted to discuss anything with him, I'd go and see him. Her was only around the corner from me in Fremantle, or I'd ring him."

I said, "Is he a friend of yours?"

He said, "Yes, he is a very likeable and friendly sort of guy Murray is."

I said, "I would like you to have a look at this document, what can you tell me about this?"

I then handed Dr. TILLER an undated sheet of paper headed 'MOGILL LIMITED', which appeared to be a summary of financial dealings between Dr. Michael Clifford TILLER and MOGILL LIMITED.

He said, "I've never seen this before. Look at these figures, am I supposed to have this money, who is Harry WINSTON, who is it from?"

I said, "Did you ever receive any part of your management fees back from MOLL? I ask you this because most of the others agreed there was an arrangement."

He said, "Look, I don't know about the

.../5

Statement of Roland Warwick SELLARS cont.

other doctors, I employed MOLL to manage my practice, I went from nothing to having one of the busiest practices in Perth. What with tax and provisional tax, I needed a Manager. I paid for that, this is all rubbish."

I said, "What can you tell me about the losses attributed to LEE Trading?"

He said, "LEE Trading was set up to provide security for my family, a surgeon doesn't start really earning until he is about 37 or 38, then he has only until he is about 57 or 58, until he begins to wear out, to generate his income. LEE Trading was to run at a profit not a loss."

I said, "What can you tell me about the diamonds mentioned in this statement?"

He said, "\$143,000 of diamonds delivered to Bicton, that's bullshit, they must be in the house then if they were delivered to Bicton. I never had one diamond delivered to me."

I said, "What can you tell me about the caption, 'authorised Michael TILLER' at the foot of the page?"

He said, "That's my writing, but I've never seen the document before. I used to sign invoices for

Statement of Roland Warwick SELLARS cont.

the purchase of diamonds for LEE Trading. I would authorise the purchases. When I signed the invoices, I would always leave a bigger space after the bottom of the typing, the same as the other letter. (Dr. TILLER then picked up the letter I initially showed him.) There should be samples of that with the Liquidators and with Tax. If you look at any of my correspondence you've got, you'll see that where this says 'your sincerely', I always leave a much bigger gap before signing it. This looks to me as if he has taken a blank letter of mine with my signature on it and typed in the letter. He's run out of space and that's how it's so cramped. MOLL asked me to give him blank letterheads when he was my Manager, he said it would assist his trading on behalf of LEE Trading. That struck me as being strange, it's like giving someone a blank cheque, but that's what it looks like he has done, I trusted the man."

I said, "Is there anything else you would care to comment upon in relation to these matters?"

He said, "No, the man's a nut, he must sit in a room typing all these things."

Statement of Roland Warwick SELLARS cont.

There followed a general discussion with Dr. TILLER and Mrs. TILLER, following which Sergeant YORSTON and I left the house.



(R.W. SELLARS)

proponents have put forward so glibly at the present time.

We have heard again the statement that the innocent have nothing to fear from the introduction of the card; so why is everybody upset about it? That is an absolutely correct statement. The innocent do not have anything to fear from the introduction of the card.

Mr Nehl—Except the loss of freedom.

Mr MacKELLAR—We could say: 'except the loss of freedom', but the innocent are not the people the card is being introduced to deal with. The card is being introduced to deal with people who are willing, able and encouraged to defraud the taxation system and the social security system. We are not dealing with innocent people; we are dealing with people who have been induced to defraud the system in one way or another. It is not the innocent who we are worried about; it is the people who will defraud the system. I have seen no evidence whatsoever produced by the Government to this stage which would suggest that these people will be deterred in any sense by the introduction of this card.

Its economic aspects are open to very great question indeed. Before we have an acceptance of this legislation, I believe that the Government owes it not only to the Opposition but also to the people of Australia to argue more fully the benefits of the introduction of a card which really goes very much against the grain of many people who have a belief in civil liberties. Some people will dismiss that lightly and out of hand. I do not dismiss it lightly. I believe that the issue of civil liberty is a very important one—one that has not been properly addressed by the Government at this stage. A piece of legislation is being introduced into the Parliament to allow the development of this card to go ahead when the benefits of it have not been clearly demonstrated, when its costs are unclear and when we cannot be certain that we are not losing some of the freedom which a lot of people hold very dear to gain some nebulous reward.

All in all, the legislation before the House at present is important. It is totally unfair to members of this Parliament to have it introduced on a Friday and debated today. It really does the Government and the Minister for Health no credit to approach this legislation in such a pell-mell fashion. Many questions still need to be asked and answered. I encourage the Government to go about answering some of those questions immediately.

Debate (on motion by **Dr Klugman**) adjourned.

ADJOURNMENT

Tax Evasion—Homebush Sewerage System—Marriage Education—Ilwarrarra Human Resources Training Centre—Anti-dumping Levies—Liberal Party of Australia—Taxation

Motion (by **Mr Young**) proposed:

That the House do now adjourn.

Mr TUCKEY (O'Connor) (10.26)—During Question Time the Treasurer (Mr Keating) chose to mount an impassioned case against tax avoidance. I was surprised that, within his reference list, he did not refer to an article published on page 5 of the *Age* of 24 September 1985. The first paragraph of that article states:

A leading WA surgeon under Tax Office scrutiny discussed with a Perth businessman the futility of making 'further inducements' to department officials and urged him to seek support from a powerful public figure in Canberra to avoid what he called a public scandal.

I have obtained a copy of the letter mentioned in that article and I would like to read from it. It is headed 'Michael C. Tiller', and it refers to certain qualifications and an address in Fremantle. The letter has been marked 'private and confidential' and it is dated 18 June 1979. It is addressed to Mr M. V. Quartermaine and it states:

Dear Murray,

Thank you for your confidential note, I enclose the signed agreements as requested. I met David Altree and Ron Woss at my surgery where I was told that the tax department will continue their investigations of the trading ventures and other related matters. It appears that further inducements to certain officers in the department will only prejudice our position despite their cooperation in the past. The accountants and John Gillet have promised to pull all possible strings as soon as Moll has been removed as chairman. I am anxious to avoid any public scandal and your political connections in Canberra may prove very helpful. Can you arrange another meeting with Lionel Murphy as promised as you may be able to obtain his support or his advice. We require solid backing to favourably influence the outcome of our present problems.

Although the said Lionel Murphy is obviously the powerful public figure mentioned in the Press article, let me stress that this letter alone cannot be considered as evidence of personal wrongdoing.

Mr Young—Is that the completion of the letter?

Mr TUCKEY—No, it is not. I will make the letter available to the Special Minister of State.

Mr Young—Well, why don't you read it all?

Mr TUCKEY—I do not need to read any more because I have made the point that I want to make. I have already referred to the powerful

public figure mentioned in the Press article and I stress that this letter alone cannot be considered as evidence of personal wrong-doing. As the Minister for Finance (Senator Walsh) has discovered, the participants in this Christo Moll scheme were in the habit of name dropping and the good doctor may have been misled. Nevertheless, the newspaper article continues:

Federal police have questioned orthopaedic specialist Mr Michael Tiller about the letter sent to them by the National Crime Authority in which he wrote to former travel agent Murray Quartermaine.

This indicates to me that there is little doubt that the letter is authentic and that the National Crime Authority treats it seriously. I am advised that Senator Walsh has had a copy of this letter for some time. When one considers his inordinate interest in the Moll case one can only wonder why he has not demanded a public inquiry regarding its disclosures. Clearly, it is not difficult to establish whether Mr Quartermaine had meetings with Lionel Murphy. We have only to ask him. I believe that Mr Quartermaine should be able to indicate the substance of any such conversation that he may have had. Most importantly in these circumstances, the Special Minister of State (Mr Young) must advise the House of the results of the Australian Federal Police inquiry that has been mentioned. It is amazing how silent the Minister has been when we consider how concerned the Treasurer was this morning to go and catch himself some tax avoiders.

Mr Young—You don't come in here giving the results of police investigations.

Mr TUCKEY—Maybe in this case the circumstances are different. But the Minister has the bit in his teeth, the Treasurer was carrying on this morning, and the Minister must cease to show hypocrisy on this issue. We have this important statement made in the newspapers. Why did the Minister not arrange a Dorothy Dixier on it? If such close associates of the Labor Party were involved during the heyday of tax schemes it is time the Treasurer discontinued his humbug, such as that which he produced today, practised what he preaches, and took action about them.

Mr Young—What is the date of the letter?

Mr TUCKEY—Would the Minister like me to table the full letter?

Mr Young—What is the date of the letter?

Mr TUCKEY—The letter was written on 18 June 1979. I have read that into the *Hansard*. It refers to the Moll scheme and it mentions that Lionel Murphy was being used as an adviser

and assistant. I do not know whether that is true. The Minister would have a better idea.

Mr Young—Is the letter authentic?

Mr TUCKEY—I say to you that I believe the letter is authentic.

Mr Young—But you don't know?

Mr TUCKEY—Of course I do not know. It is up to the Minister to tell us. I am telling him that a Press article, yet to be rejected, has stated that this letter was handed down from the National Crime Authority to the Australian Federal Police. Is the Minister telling me that he does not know anything about that? I bet he does.

Madam DEPUTY SPEAKER (Mrs Child)—Order! The honourable member's time has expired.

Mr MAHER (Lowe) (10.31)—I want to talk tonight about the Australian Bicentennial celebrations and in particular about the proposed bicentennial park for the Parramatta River area, part of which is within the electorate of Lowe. This project has attracted funding of \$8m from the Commonwealth and the State and will be a very important addition to the parks in the Sydney metropolitan area. I have visited the site. It is a glorious site with a natural stand of mangroves which the \$8m will convert to a major tourist centre in that part of Sydney. I am raising the issue tonight because for some time I have been making representations about eight properties which adjoin the proposed park, cottages which are not connected to the Sydney sewerage system. These places, in the old established suburb of Homebush, are in an area known as the Lorraine Street low level area. They are not connected to the sewerage system and it would be very expensive to connect them. One of the people living in the cottages has come to me and explained that in the summer a quite strong offensive odour comes from a pump-out sewerage system and that, on estimates made some years ago, it will cost approximately \$30,000 each to connect these properties to the general Sydney sewerage system.

With the planned expenditure of \$8m nearby, restoring the natural habitat of the mangrove swamps, it would not be too much to ask to have this problem included in the program and fixed up. I have written to the Prime Minister (Mr Hawke), as the Minister responsible for the Bicentennial, and I have written also to the Minister for Arts, Heritage and Environment (Mr Cohen), who also showed great interest in the project and referred it on. I have raised it also in the local area. However it is moving

slowly, and with the I think it is time I am raising it in the new interest in of the Parliament, these people in the electorate.

This is a joint because the State connecting the responsible for building a small number of Sydney is seweraged and forgotten. It would large bicentennial could be connected raising the matter criticising the Bicentennial Homebush Bay. I down in history. Sydney was dedicated. This is the Bicentennial natural park with work of some of the aldermen on the Alderman Blomfield's work in launching the House any Prime Minister's tag and Environment look at this imp

Mr WEBS Madam Deputy Australians, aged of 14 August 1985 home with both up happily. Su report similar *Herald* reports cent of young marriage was men and 89 per cent that love, was definition of marriage was too easy program, Sue psychologist's testimony about a successful marriage. Dr Montgomery people need attention into concluded: Most marriages benign neglect.

able member refers. There were various reports in the newspapers and other media this morning relating to claims by the Builders Labourers Federation of Australia to have achieved a 35-hour week on one substantial building project in Victoria, and to being close to achieving a 35-hour week in another one. My understanding of the situation is that neither of those claims is correct. In respect of the first development, the Jack Chia development in South Yarra, Melbourne, which is a very large construction project, a 36-hour week has been negotiated not by the Builders Labourers Federation as such but by the building industry unions under the auspices of the Victorian Trades Hall Council.

What has been the situation in Victoria for some time—indeed, throughout virtually the whole of the period of the previous Government—has been a shopping industry agreement. This shopping industry agreement began, interestingly enough, with the Grollo organisation. The agreement provided for over-award payments in respect of work on shopping centre projects and, gradually, for the extension of fewer hours. Since 1981 in Victoria the shopping industry agreement, an informal agreement, has provided for a 36-hour week on Victorian shopping centre construction sites where the shopping centre construction is worth more than \$1m. In the case of the Jack Chia project, in stage one there is a shopping centre element worth about \$40m in a project worth between \$200m and \$250m. It is on that basis that the unions have negotiated this 36-hour week on this construction project, in conformity with what has been an arrangement of several years standing in this industry. It is something which began during the reign of the previous Government, which did nothing to reject and repudiate it. It was a pretty well established element of the industry when we came to office.

In respect of the second claim by Mr Gallagher that there was virtually agreement reached on Victoria's central project, which is a major proposed development in La Trobe Street, Melbourne, my understanding is that there have been no negotiations whatsoever with the Builders Labourers Federation regarding a 35-hour week on that project which, at this stage, is a project on paper which may or may not go ahead. More generally, the question of the actions of the Builders Labourers Federation are, of course, a matter of concern to the Government. We totally repudiate Mr Gallagher's claim that he has a right to pursue a 35-hour week. It is quite clear that, under the national wage guidelines, there is no capacity for him to do

that. It is quite clear from the building industry agreement that, generally, it is a 38-hour week with the proviso that existing arrangements, such as those at the Victorian shopping centre, will continue to apply. Mr Gallagher is in breach of that agreement and in breach of the national wage principles in trying to achieve a 35-hour week. On the information available to me, his claim that he has achieved one and is about to achieve another is totally incorrect. This Government will certainly do all in its power to prevent breaches of national wage guidelines by the Builders Labourers Federation or any other organisation.

QANTAS AIRWAYS LTD: CONCESSIONAL INTERNATIONAL TRAVEL

Mr KENT—Is the Minister for Transport aware of allegations relating to concessional international travel obtained by a director of Qantas Airways Ltd? If so, what action is being taken on the allegations?

Mr PETER MORRIS—I am aware of allegations of the nature referred to by the honourable member. The matter is the subject of urgent consideration by me at the moment.

TAX MEASURES

Mr CARLTON—Will the Treasurer please explain the difference, for tax deduction purposes, between a lunch provided for a client in a restaurant, a lunch provided for a client in a board room and a lunch provided for a client at something called a seminar?

Mr KEATING—I can hardly believe this. This is about the fifth go around on the restaurant issue and I do not think I have much more to say. Obviously, if anybody tries to circumvent this change to the tax system by seeking to arrange sham seminars for luncheons, that simply will not be accepted. I am quite certain that the Commissioner of Taxation will break into those arrangements like Elliott Ness into a Chicago brewery.

MELBOURNE AGE: ALLEGATIONS

Mr DUNCAN—My question is directed to the Special Minister of State.

Mr Tim Fischer—What about—

Mr DUNCAN—I am not going to ask my question in monosyllables so that the honourable member can understand it. Has the Minister's attention been drawn to the article in today's *Age* concerning a letter alleged to have been written by Dr Tiller in which Mr Justice

Murphy is mentioned? Has he any information to provide to the Parliament?

Mr YOUNG—Last night the honourable member for O'Connor raised a question during the adjournment debate concerning an alleged letter written between two Perth businessmen which included the name of His Honour, Justice Lionel Murphy. I do not think anybody here needs any introduction to the person so named or to the circumstances in which he now finds himself. Like the previous Government, or those people who have held my portfolio in the past, it has been my intention not to involve the Parliament in investigations being conducted by the Australian Federal Police or, now, the National Crime Authority because there is very little the Parliament can do to help those sorts of things. Nevertheless, this matter has been raised and, as it has received some publicity, I felt it best that those members of the Press who have not already run anything about this matter should be made aware of the circumstances surrounding it.

I have been advised by the Australian Federal Police that they received from the *Age* newspaper a photostat of the letter allegedly written by Dr Tiller to Mr Quartermaine which refers to arranging a meeting with Lionel Murphy on a particular matter. Dr Tiller was interviewed on 5 April in relation to the letter, after the letter had been handed over by the *Melbourne Age* to the Australian Federal Police. So the matters contained in the letter were not news to the *Melbourne Age* today. Dr Tiller, in his interview, denied writing, sending or having any knowledge of the contents of the letter. He also stated that he was in Canada at the time the letter was allegedly written. He admitted knowing Mr Quartermaine but denied knowing or ever having met Lionel Murphy. I should say in relation to this matter that, on 24 September, there was an article in the *Melbourne Age* headed 'Surgeon urged agent to avoid tax scandal'. The article states:

A leading WA surgeon under Tax Office scrutiny discussed with a Perth businessman the futility of making 'further inducements' to department officials and urged him to seek support from a powerful public figure in Canberra to avoid what he called a public scandal.

Federal Police have questioned orthopaedic specialist Mr Michael Tiller about the letter sent to them by the National Crime Authority in which he wrote to former travel agent Murray Quartermaine.

The letter was not sent by the National Crime Authority to the Australian Federal Police; it was sent by the *Melbourne Age*. On page 3 of the first edition of the *Age*, which reached us

this morning—obviously, the honourable member for O'Connor must have talked to the *Melbourne Age* before he made his speech last night—we see an article headed 'Murphy was figure named in tax case letter, MP claims'. The article then carries substantially what the honourable member for O'Connor had to say last night.

As I have said, this news is nothing new to the *Melbourne Age*. It was aware of the content of the letter. That newspaper knew the problems it would have concerning writing anything about it prior to the matter being mentioned under privilege here last night because it had been responsible for handing it to the police, rightly so, for the police to carry out their inquiries.

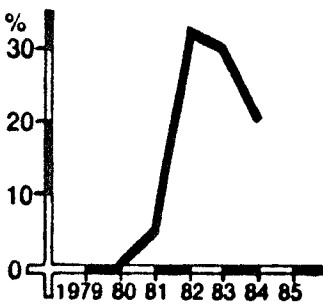
I should also add that the Australian Federal Police investigations have been hampered by the absence from Australia of both Mr Quartermaine and Mr Moll and the unavailability of the original document. The Australian Federal Police are not in a position to prove the author of the letter. There has been substantial evidence in the past of falsified documents in the Moll case. Australian Federal Police investigations into the activities of Christo Theo Moll are continuing. A warrant has been issued in Western Australia for his arrest. Investigations have revealed a number of other persons involved in the illegal transfer of funds out of Australia.

FRINGE BENEFITS TAX: EFFECTS ON CAR INDUSTRY

Mr DOWNER—My question is directed to the Treasurer. In view of Senator Button's admission on 9 October that the Government introduced its new fringe benefits tax on cars without a study of its likely effects on the car industry—the industry itself estimates that it will cost 50,000 units and 12,000 jobs—will the Government either now abandon the new tax on cars, which the industry says could cripple the Government's car plan, or amend the car plan to accommodate the effects of the new tax on the industry?

Mr KEATING—The thing about members of the Liberal Party of Australia is that they are always out there to protect ramps in the tax system for those people who, for years, they allowed to escape through the 60 per cent net. They never bothered to close loopholes in the tax system because they knew that their constituency was slipping through the 60 per cent rate while everybody else had to pay. Any government which moves to take away those tax op-

PREVALENCE OF AIDS VIRUS ANTIBODY*



* In homosexual men attending a Sydney STD clinic
Source: Medical Journal of Australia

Dr Young said that tests for AIDS antibody were being done all the time on people whom doctors thought had little reason to be worried. He said it was difficult to do antibody testing on everybody who had a transfusion going back an unknown period of time.

The Sydney study has been published as a letter in 'The Medical Journal of Australia'.

Australia the first case of AIDS was described in 1982, but until now no study had identified the time that infection with the virus, HTLV-III, first occurred here.

The study found the first evidence of infection in March 1981, with three positive blood tests out of 59 patients. The virus then spread rapidly with 15 positive cases, 32 per cent of those tested, in 1982.

Dr Robertson said the apparent fall from 30 per cent to 20 per cent between 1983 and 1984 was not statistically significant.

The researchers said the study supported the evidence that the virus came into the country through contact with male homosexuals from North America.

Surgeon urged agent to avoid tax scandal

BY MARSHALL WILSON
and STEPHEN FOLEY

A leading WA surgeon under Tax Office scrutiny discussed with a Perth businessman the futility of making "further inducements" to department officials and urged him to seek support from a powerful public figure in Canberra to avoid what he called a public scandal.

The doctor said in a signed letter on surgery notepaper that solid backing was needed "to favorably influence the outcome of our present problems".

The letter, dated 18 June 1979, referred to claims, since officially denied, that members of the Taxation Department were involved in a conspiracy which allowed an estimated \$200 million in unpaid taxes to be siphoned out of Australia into numbered Swiss accounts.

Federal police have questioned orthopaedic specialist Mr Michael Tiller about the letter sent to them by the National Crime Authority in which he wrote to former travel agent Murray Quartermaine.

Mr Tiller urged Mr Quartermaine to use "your political connections in Canberra" to defuse the taxman's inquiry.

The date of the letter coincided with a Taxation Department crackdown on a group of WA professional men, including doctors, dealing with a Perth company of which Mr Quartermaine was a director.

Several doctors struck a deal with senior officers of the Tax Department not to seek their deregistration in exchange for their

full cooperation in the matter.

Mr Tiller, one of the WA company's first clients, in his letter to Mr Quartermaine, referred to a meeting held at his surgery with another prominent doctor and a Perth businessman at which the continuing tax inquiry into trading ventures was discussed.

"It appears that further inducements to certain officers in the department will only prejudice our position despite their cooperation in the past," Mr Tiller's letter said.

Penalty

Mr Tiller, who received a six-figure penalty from the tax department, said further in his letter: "I am anxious to avoid any public scandal and your political connections in Canberra may prove very helpful. Can you arrange another meeting with (name of prominent Canberra figure) as promised, as you may be able to obtain his support or his advice."

"We require solid backing to fa-

vorably influence the outcome of our present problems. I appreciate your efforts, as do many of my colleagues, to ensure our reputations will be safeguarded."

According to Tax Department figures Mr Tiller was alleged to have understated his income by an amount of \$360,506 between 1974 and 1979. As a result his tax was assessed at \$211,486 and a penalty of \$148,630 was charged.

Interviewed by 'The Age' at his home in 1983, Mr Tiller said he and other doctors had been misled by the Perth businessman Mr Christo Moll into entering commodity trading ventures which had earned no profits.

"In fact we lost money," he said, "and I had words with Moll because I don't like being in the business of losing money."

Mr Moll is alleged to have fled the country in 1979 when the Taxation Department inquiry began.

Mr Moll has denied the claim, saying he was ordered to remain overseas for fear his return would expose people in high places.

Trotting man found dead

SYDNEY. — The body of Sydney trotting identity Andrew John Westwood has been found under a bridge at Wilton, southwest of Sydney. Mr Westwood, 34, disappeared 12 days ago.

Police had feared he was dead when his burning car, minus number plates, was found at Wallacia, west of Sydney, on 13 September.

Two sightseers found Mr Westwood's body yesterday morn-

ing under Pheasant's Nest Bridge which crosses the Nepean River. Police said he had been blasted in the chest by a shotgun.

Mr Westwood was last seen leaving his job at the New South Wales Trotting Authority in suburban Bankstown on 11 September.

Last year, Sydney racing trainer George Brown was found dead in his burnt-out car near Wollongong.

deals: NCA calls for police help

Date

By MARSHALL WILSON and
STEPHEN FOLEY

The National Crime Authority has requested the investigation of a Canberra figure, identified by the code name 'Blake', who used a Perth pipeline to transfer more than \$60,000 into a London-based Soviet bank.

Australian Federal Police also are investigating a prominent WA businessman, closely associated with the money-moving operation, who in the same year sought to sell an estimated \$3 million worth of Russian roubles on behalf of an unnamed principal.

The businessman recently left Australia, owing a tax bill of several hundred thousand dollars, and is said to be living in London.

M 2

The joint investigation began after documents recovered by an 'Age' investigative team in Europe this year were passed to law enforcement agencies for assessment.

Confirmation of the investigation comes after a report in Wednesday's 'Age' that Asio is expected to seek a debriefing from KGB defector Colonel Oleg Gordievsky to test allegations that a network of Soviet agents is operating undercover in Australia.

The payment is among the first documented evidence of Soviet involvement in the WA businessman's offshore interests. It supports assertions that his activities provided a conduit for clandestine money movement between a prominent Canberra figure and the Russians.

According to financial statements recovered overseas, the money was smuggled out of Australia by courier late in 1978, "washed" in Zurich by an exchange to Swiss francs, then deposited by bank cheque into an account for 'L. M. Blake' at the Moscow Narodny Bank in King William Street, London.

The document highlighting the transaction has against the date 22 December the words "couriers — cash deposit L. M. Blake, Canberra 125,000 Swiss francs".

Later, in the same signed statement and under the same date are the words: "Cash payment — cheque in favor of Moscow Narodny Bank, King William Street, London — L.M. Blake 125,000 Swiss francs."

Other documents show that \$600,000 was in a courier container valued at more than \$100,000 which was moved at the

same time. The names of prominent WA business executives and professional people are also listed, with most of their money being paid in cash into private accounts in Switzerland.

In a letter signed and dated 26 April 1979, a Perth business executive wrote to the trustee of his company's Zurich-based clearing house. Investigations by 'Age' reporters have shown it to be a front company set up by an ageing Swiss attorney who acted as fiduciary to comply with Swiss laws governing foreign ownership.

The WA businessman said he acted for an unnamed principal who urgently wanted to dispose of roubles.

"The amount I have available for immediate sale is approximately three million in cash," the letter said. "My principal prefers conversion to US dollars or Swiss francs. All reasonable offers will be considered and a commission of 5 per cent is offered on the net amount converted. The funds originate from a Russian State Shipping agency and discretion in this matter will be appreciated. Please direct all correspondence on this offer to me personally."

Dealings with the Moscow Narodny Bank are disclosed in other documents and appear to show the same businessman operated his own private account with them in London.

Another document, typed on distinctive letterhead, was delivered by hand to the manager of the overseas department of the Moscow Narodny Bank in London.

With a letter addressed to a Mr S. Krawshenko and dated 23 August 1980, the businessman returned 12 unused Aeroflot tickets to the bank "as detailed on the attached invoice from Ethiopian Airlines". "Please pass your usual credit in favour of my current account," the letter said.

In Perth, Federal Police have confirmed having received a directive from the NCA to investigate the WA people named in the documents.

In other WA developments, Interpol has been asked to check dozens of documents relating to diamond deals involving prominent figures.

Of concern is that a businessman (they would like to question) connection with their inquiry has been allowed to leave Australia, despite having been asked to pay a big tax bill.

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Murphy was figure named in tax case letter, MP claims

By DAVID HUMPHRIES

CANBERRA.— Lionel Murphy was the "powerful public figure" referred to in a newspaper article about an alleged tax scandal, Opposition frontbencher Wilson Tuckey told Federal Parliament last night.

Mr Tuckey said the article, in 'The Age' on 24 September, said a leading Western Australian surgeon under Tax Office scrutiny had discussed with a Perth businessman the futility of making "further inducements" to department officials.

The surgeon had urged the businessman to seek support from a "powerful public figure in Canberra" to avoid what he called a public scandal, Mr Tuckey said.

Mr Tuckey (Liberal, WA) said he had obtained a copy of a letter mentioned in the Age article, written by orthopaedic surgeon Michael C. Tiller and addressed to travel agent Murray V. Quartermaine.

He read to the House the first part of the letter, in which, he said, Mr Tiller asked Mr Quartermaine to "arrange another meeting with Lionel Murphy as promised as you may be able to obtain his support or his advice".

He said that in part, the doctor's letter said: "It appears that further inducements to certain officers of the department will only prejudice our position despite their co-operation in the past."

Mr Tuckey said the letter was written on 18 June, 1979, by Mr

Tiller to Mr Quartermaine, a Fremantle travel agent and former business partner of Mr Christo Moll, who is now believed to be living in Europe.

Reading further from the alleged letter, Mr Tuckey said: "The accountants and John Gillett have promised to pull all possible strings as soon as Moll has been removed as chairman."

He said the letter continued: "I am anxious to avoid any public scandal and your political connections in Canberra may prove helpful. Can you arrange another meeting with Lionel Murphy as promised as you may be able to obtain his support or his advice. We require solid backing to favorably influence the outcome of our present problems."

Mr Tuckey said: "Although the said Lionel Murphy is obviously the powerful public figure mentioned in the Press article, let me stress that this letter alone cannot be considered as evidence of personal wrongdoing."

He said participants in "the Christo Moll scheme were in the habit of name dropping and the good doctor may have been misled".

In the article on 24 September, referred to by Mr Tuckey, 'The Age' said that Federal police had questioned Mr Tiller about the letter which had been sent to them by the National Crime Authority.

Mr Tuckey said he had been advised that the Finance Minister,

Senator Walsh, had had a copy of the letter for some time. "Considering his inordinate interest in the Moll case, one can only wonder why he (Senator Walsh) has not demanded a public inquiry regarding its disclosures," Mr Tuckey said.

"Clearly it is not difficult to establish whether Mr Quartermaine was in the habit of meeting with Lionel Murphy. Personally, Mr Quartermaine should be able to indicate the substance of any conversation he may have had.

"Most importantly in these circumstances, the Special Minister of State (Mr Young) must advise the House as to the results of the Federal police inquiry.

"If such close associates of the Labor Party have been involved during the heyday of the tax schemes, it is time the Treasurer (Mr Keating) discontinued his humbug . . . and took action against them," Mr Tuckey said.

Mr Tiller said from Perth last night: "That is not a letter written by me. It is a letter concocted by a bloke called Moll. I wasn't even in the country at the time so it couldn't have come from me. This sort of garbage does me no good. It's just a lot of rubbish."

Mr Tiller said Federal police had visited him and that they believed the letter was not from him.

"It (the letter) is of no validity and I don't want to talk about it any longer."

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Age 16 Oct 1985.

Mrs Murphy's name on back of Moll cheque stub

by MARSHALL WILSON and STEPHEN FOLEY

EXCLUSIVE

Ethiopian Airlines NVQ cr a/c Deake and Co HK \$US10,286."

Circle are the words "Dr Four Winds" and below that, the notation "diamond purchases Mrs L. Murphy 7800". Next is an indecipherable name against the figures "4000".

And then there is the inscription "Doctors as per list Contract No. 4 (indecipherable) Alltree."

Mr Moll's version of his scrawled handwriting is that the cheque for \$83,055.83 was to purchase an overseas draft in pounds sterling for a WA ski party. The group of 51 was supposed to be travelling to Switzerland, but the trip never eventuated, he said.

The arrangements, according to other documents, were made between a Moll associated company offshore, Mogill of Hong Kong, and I. H. Quartermaine, the travel agency.

Mr Moll continued his explanation: "A representative from Perth was instructed to take the draft up to Hong Kong where it could be put through the company, Mogill. The representative was under instructions to draw funds on Mogill's Hong Kong account and credit \$US10,286 to Ethiopian Airlines account with Deake and Co."

Mr Moll said: "Mr Quartermaine said he would clear that debt to Mogill by refunding money through Four Winds, one of his companies in Basel (Switzerland)."

Continued: PAGE 6

The words "diamond purchases Mrs L. Murphy 7800" appear on the reverse side of a cheque stub, one face of which was tabled in Federal Parliament yesterday.

The cheque book in which the information is contained was recovered last year by 'The Age' from the financier Christo Moll, and is now held by Federal police in Perth.

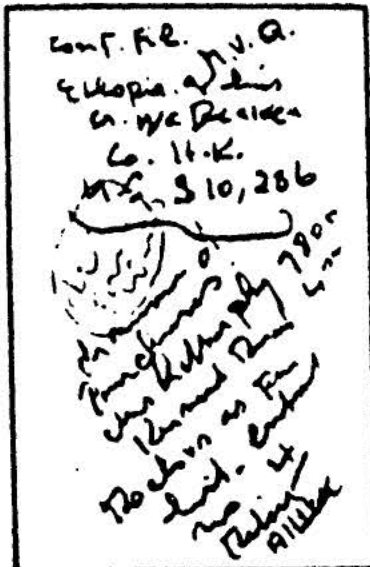
Copies of cheques and entries from the same cheque book were tabled by the Minister for Resources and Energy, Senator Walsh, including payments which Mr Moll has described as donations to the Liberal Party.

According to Mr Moll, who was recently interviewed overseas by 'The Age' and whose handwriting appears on the cheques which match those held by police, the Mrs L. Murphy referred to is the wife of Mr Justice Murphy of the High Court.

The figure 7800 was the cost in carats of a single flawless stone, Mr Moll said.

The cheque book relates to the company Mobill (WA) Pty. Ltd., he said. The company's account in Perth was operated as a cash fund.

One of the cheques, a copy of which was tabled yesterday was for an amount of \$83,055.83 which was to purchase a certified bank draft. The matching cheque stub which Senator Walsh also tabled contained the words "For Mogill".



A copy of the reverse side of the stub, which was not tabled.

a Hong Kong-based company which formed a part of the Moll group's operations.

A further notation says "Reserve Bank approve"

However, Senator Walsh did not table a copy of the reverse side of the cheque stub, a copy of which is held by 'The Age'.

On this side of the cheque stub, the back of stub No. 408542, are the words: "Confidential file Ethi-

Mrs Murphy's name on stub

FROM PAGE 1

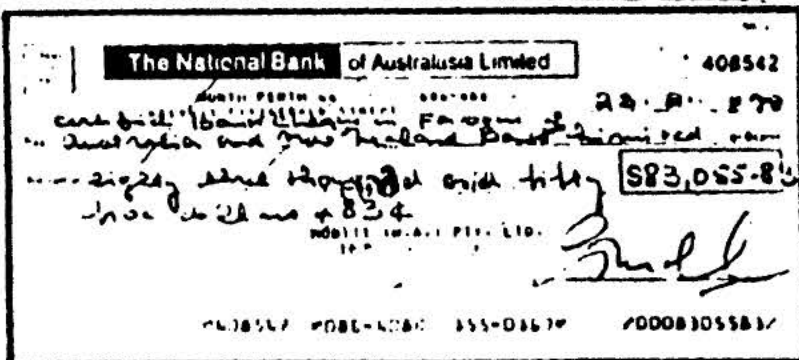
In other words, out of that \$83,055.83 that was being cleared through the ANZ Bank, Fremantle, he (Mr Quartermaine) undertook to refund Mogill (which he did at a subsequent date) the payment to Ethiopian Airlines, and the two diamonds which were purchased and delivered to him in Fremantle. The balance of the money on the certified overseas bank draft was to remain in Mogill for the purchase of diamonds 'as per doctors lists No. 4' which was retained by Dr David Alltree, an anaesthetist."

The cheque tabled yesterday by Senator Walsh shows that it was deposited into the ANZ Bank, Fremantle.

Mr Quartermaine, when shown a copy of both sides of the cheque stub, said "It means Moll has drawn a cheque and paid it into L. H. Quartermaine for travel arrangements."

He said he did not recall handling any ski party for 51 people, when shown an invoice on Mogill letterhead with details of the proposed itinerary and cost.

Asked about the reference to Ethiopian Airlines, he said: "I have never paid any money to



A copy of the cheque tabled by Senator Walsh.

Ethiopian Airlines, ever. I've never issued a ticket for Ethiopian Airlines. No one ever goes to Ethiopia."

However, Mr Quartermaine was able to secure free travel on a British Airways flight from Perth to London and Geneva and return in 1978, using the facility of Ethiopian Airlines.

Documents held by 'The Age' show he upgraded the free seat to first class, billing the C. T. Moll company for the \$341 service charge.

Mr Quartermaine's former wife, German-born Ute Ritter, has claimed to be the Perth sales representative for Ethiopian Airlines.

The airline's Australian repre-

sentative was formerly Mr David Ditchburn, husband of Miss Julie Murosi, a former private secretary to the Treasurer and Deputy Prime Minister, Dr Cairns. Miss Murosi was also a friend of the High Court judge Mr Justice Lionel Murphy.

Mrs Ingrid Murphy worked for Mr Ditchburn in the early 1970s as a public relations consultant, earning \$1 a year plus free air travel. She also performed public relations duties for the Ethiopian Consul in Sydney.

On a tour of Australia in 1968 by the then Emperor of Ethiopia, Haile Selassie, Mr Quartermaine, an aide de camp to the Governor of Western Australia and his wife, Ute, were the official interpreters.

received from the Australian Federal Police,
Western Region, the following documents
and records:-

- i) Report by Hungerford Hancock & Offnes
dated 20th February, 85. re Operation
Edam.
- ii) Report by Det. Bellas dated 18th
September, 1984. re Complaints
by Mr Justice Murphy (Copy)
- iii) Letter dated 9th April 1980 from
Dir General of Taxes Netherlands
(Copy)
- iv) Analysis of 3 cheque books by
Document Examination Section
re handwriting
- v) Folder headed "Marshall-Wilson"
material re Michael Tiller,
Honey and Quartermaine.
Various Newspaper articles re
C. T. Moll
- vi) Statement of Hendrina BOEF
(Copy)
- vii) Statement of Dr Michael TILLER
(Copy)

- viii) Material supplied by Nat. Crime Authority dated 4th June, 1985.
- ix) Interview of Hendrina BOET conducted by International Criminal Police Organisation.
(Copy)
- x) Two valuations re Mrs Ingrid Murphy and accompanying reports by Constable JANEC dated 28th October, 1985.
- xi) Brief and advice re George Robert Alan BRATHWAITE from Aust. Government Solicitor dated 10th January, 1985.
- xii) Brief of Evidence re Failure to Disclose overseas income re Murray v. Quatromaine
- xiii) Brief of Evidence re: forgery / Uttering of Invoices Christo Theo MOLL
1 AFP file
1 Arch lever file.

~~xiv~~

XIV) One Index of Evidence re
Conspiracy to Defraud - Christo T.
Mohr.

for and on behalf of Parliamentary
Commission of Inquiry.



24th July, 1986.



Australian Federal Police

Minute Paper

WESTERN REGION
RWS:mhg

RECEIPT

Received from Detective Acting Inspector SELLARS,
Australian Federal Police, Perth, this date on temporary
loan.

One Brief of Evidence (one volume)
CHRISTO THEO MOLL re alleged
Management Agreement Conspirancies.

One Brief of Evidence (in two volumes)
CHRISTO THEO MOLL re alleged
Commodity Trading Offences.

24 July, 1986

Signed _____



PARLIAMENTARY ADVISORY COMMITTEE
Mr Justice MURPHY

File note

(Re Allegations 30, 3, 7, 8)

①. I phoned Superintendent Pim in Perth today (15/7/86) he said he would make a room available for us at the AFP headquarters in Perth for Mon, Tue & Wed (21, 22 & 23 July 86). I also asked whether he would forward ASAP the files relating to the Moss matter (ie Dr Ziller letter to Quatermaine) plus details of any investigation of the alleged diamond for Mrs Murphy. He said he would send this material to the AFP in Sydney who would then pass the material to us.

I also asked if he would enquire whether certain people were available to see us on Tuesday at the AFP centre: these people being Dr Ziller, James West, Mrs Quatermaine. I said we may also wish to contact a couple of AFP people re the Age material. Sup. Pim said he would arrange for the three people to be contacted to see whether they are available for Tuesday 22 July 1986. I thanked him & said I would ring him about Friday re the arrangements.

* I spoke with Marshall Wilson today 17/7/86. He said that he has raised the Ziller / Quatermaine letter with Mell. Mell says he didn't write it. (alleged by Ziller that it is a Mell forgery). N.W.

proponents have put forward so glibly at the present time.

We have heard again the statement that the innocent have nothing to fear from the introduction of the card; so why is everybody upset about it? That is an absolutely correct statement. The innocent do not have anything to fear from the introduction of the card.

Mr Nehl—Except the loss of freedom.

Mr MacKELLAR—We could say: 'except the loss of freedom', but the innocent are not the people the card is being introduced to deal with. The card is being introduced to deal with people who are willing, able and encouraged to defraud the taxation system and the social security system. We are not dealing with innocent people; we are dealing with people who have been induced to defraud the system in one way or another. It is not the innocent who we are worried about; it is the people who will defraud the system. I have seen no evidence whatsoever produced by the Government to this stage which would suggest that these people will be deterred in any sense by the introduction of this card.

Its economic aspects are open to very great question indeed. Before we have an acceptance of this legislation, I believe that the Government owes it not only to the Opposition but also to the people of Australia to argue more fully the benefits of the introduction of a card which really goes very much against the grain of many people who have a belief in civil liberties. Some people will dismiss that lightly and out of hand. I do not dismiss it lightly. I believe that the issue of civil liberty is a very important one—one that has not been properly addressed by the Government at this stage. A piece of legislation is being introduced into the Parliament to allow the development of this card to go ahead when the benefits of it have not been clearly demonstrated, when its costs are unclear and when we cannot be certain that we are not losing some of the freedom which a lot of people hold very dear to gain some nebulous reward.

All in all, the legislation before the House at present is important. It is totally unfair to members of this Parliament to have it introduced on a Friday and debated today. It really does the Government and the Minister for Health no credit to approach this legislation in such a pell-mell fashion. Many questions still need to be asked and answered. I encourage the Government to go about answering some of those questions immediately.

Debate (on motion by **Dr Klugman**) adjourned.

ADJOURNMENT

Tax Evasion—Homebush Sewerage System—Marriage Education—Illawarra Human Resources Training Centre—Anti-dumping Levies—Liberal Party of Australia—Taxation

Motion (by **Mr Young**) proposed:

That the House do now adjourn.

Mr TUCKEY (O'Connor) (10.26)—During Question Time the Treasurer (Mr Keating) chose to mount an impassioned case against tax avoidance. I was surprised that, within his reference list, he did not refer to an article published on page 5 of the *Age* of 24 September 1985. The first paragraph of that article states:

A leading WA surgeon under Tax Office scrutiny discussed with a Perth businessman the futility of making 'further inducements' to department officials and urged him to seek support from a powerful public figure in Canberra to avoid what he called a public scandal.

I have obtained a copy of the letter mentioned in that article and I would like to read from it. It is headed 'Michael C. Tiller', and it refers to certain qualifications and an address in Fremantle. The letter has been marked 'private and confidential' and it is dated 18 June 1979. It is addressed to Mr M. V. Quartermaine and it states:-

Dear Murray,

Thank you for your confidential note, I enclose the signed agreements as requested. I met David Altree and Ron Woss at my surgery where I was told that the tax department will continue their investigations of the trading ventures and other related matters. It appears that further inducements to certain officers in the department will only prejudice our position despite their cooperation in the past. The accountants and John Gillet have promised to pull all possible strings as soon as Moll has been removed as chairman. I am anxious to avoid any public scandal and your political connections in Canberra may prove very helpful. Can you arrange another meeting with Lionel Murphy as promised as you may be able to obtain his support or his advice. We require solid backing to favourably influence the outcome of our present problems.

Although the said Lionel Murphy is obviously the powerful public figure mentioned in the Press article, let me stress that this letter alone cannot be considered as evidence of personal wrongdoing.

Mr Young—Is that the completion of the letter?

Mr TUCKEY—No, it is not. I will make the letter available to the Special Minister of State.

Mr Young—Well, why don't you read it all?

Mr TUCKEY—I do not need to read any more because I have made the point that I want to make. I have already referred to the powerful

public figure mentioned in the Press article and I stress that this letter alone cannot be considered as evidence of personal wrong-doing. As the Minister for Finance (Senator Walsh) has discovered, the participants in this Christo Moll scheme were in the habit of name dropping and the good doctor may have been misled. Nevertheless, the newspaper article continues:

Federal police have questioned orthopaedic specialist Mr Michael Tiller about the letter sent to them by the National Crime Authority in which he wrote to former travel agent Murray Quartermaine.

This indicates to me that there is little doubt that the letter is authentic and that the National Crime Authority treats it seriously. I am advised that Senator Walsh has had a copy of this letter for some time. When one considers his inordinate interest in the Moll case one can only wonder why he has not demanded a public inquiry regarding its disclosures. Clearly, it is not difficult to establish whether Mr Quartermaine had meetings with Lionel Murphy. We have only to ask him. I believe that Mr Quartermaine should be able to indicate the substance of any such conversation that he may have had. Most importantly in these circumstances, the Special Minister of State (Mr Young) must advise the House of the results of the Australian Federal Police inquiry that has been mentioned. It is amazing how silent the Minister has been when we consider how concerned the Treasurer was this morning to go and catch himself some tax avoiders.

Mr Young—You don't come in here giving the results of police investigations.

Mr TUCKEY—Maybe in this case the circumstances are different. But the Minister has the bit in his teeth, the Treasurer was carrying on this morning, and the Minister must cease to show hypocrisy on this issue. We have this important statement made in the newspapers. Why did the Minister not arrange a Dorothy Dixier on it? If such close associates of the Labor Party were involved during the heyday of tax schemes it is time the Treasurer discontinued his humbug, such as that which he produced today, practised what he preaches, and took action about them.

Mr Young—What is the date of the letter?

Mr TUCKEY—Would the Minister like me to table the full letter?

Mr Young—What is the date of the letter?

Mr TUCKEY—The letter was written on 18 June 1979. I have read that into the *Hansard*. It refers to the Moll scheme and it mentions that Lionel Murphy was being used as an adviser

and assistant. I do not know whether that is true. The Minister would have a better idea.

Mr Young—Is the letter authentic?

Mr TUCKEY—I say to you that I believe the letter is authentic.

Mr Young—But you don't know?

Mr TUCKEY—Of course I do not know. It is up to the Minister to tell us. I am telling him that a Press article, yet to be rejected, has stated that this letter was handed down from the National Crime Authority to the Australian Federal Police. Is the Minister telling me that he does not know anything about that? I bet he does.

Madam DEPUTY SPEAKER (Mrs Child)—Order! The honourable member's time has expired.

Mr MAHER (Lowe) (10.31)—I want to talk tonight about the Australian Bicentennial celebrations and in particular about the proposed bicentennial park for the Parramatta River area, part of which is within the electorate of Lowe. This project has attracted funding of \$8m from the Commonwealth and the State and will be a very important addition to the parks in the Sydney metropolitan area. I have visited the site. It is a glorious site with a natural stand of mangroves which the \$8m will convert to a major tourist centre in that part of Sydney. I am raising the issue tonight because for some time I have been making representations about eight properties which adjoin the proposed park, cottages which are not connected to the Sydney sewerage system. These places, in the old established suburb of Homebush, are in an area known as the Lorraine Street low level area. They are not connected to the sewerage system and it would be very expensive to connect them. One of the people living in the cottages has come to me and explained that in the summer a quite strong offensive odour comes from a pump-out sewerage system and that, on estimates made some years ago, it will cost approximately \$30,000 each to connect these properties to the general Sydney sewerage system.

With the planned expenditure of \$8m nearby, restoring the natural habitat of the mangrove swamps, it would not be too much to ask to have this problem included in the program and fixed up. I have written to the Prime Minister (Mr Hawke), as the Minister responsible for the Bicentennial, and I have written also to the Minister for Arts, Heritage and Environment (Mr Cohen), who also showed great interest in the project and referred it on. I have raised it also in the local area. However it is moving

slowly, and with that I think it is time I am raising it in the new interest of the Parliament these people in the electorate.

This is a joint because the State connecting the responsible for building a small number of Sydney is sewered and forgotten. It would be a large bicentennial could be connected raising the matter criticising the Homebush Bay. down in history, Sydney was dedicated. This is the Bicentennial natural park work of some aldermen on the Alderman Blom work in launch the House any Prime Minister, tage and Environment look at this im-

Mr WEBB

Madam Deputy Australians, at of 14 August home with both up happily. So report similar *Herald* reports cent of young marriage was men and 89 per cent that love, was definition of was too easy. program, Sue psychologist mery about a successful marriage. Dr Montgomery people need attention in concluded:

Most marriages benign neglect

able member refers. There were various reports in the newspapers and other media this morning relating to claims by the Builders Labourers Federation of Australia to have achieved a 35-hour week on one substantial building project in Victoria, and to being close to achieving a 35-hour week in another one. My understanding of the situation is that neither of those claims is correct. In respect of the first development, the Jack Chia development in South Yarra, Melbourne, which is a very large construction project, a 36-hour week has been negotiated not by the Builders Labourers Federation as such but by the building industry unions under the auspices of the Victorian Trades Hall Council.

What has been the situation in Victoria for some time—indeed, throughout virtually the whole of the period of the previous Government—has been a shopping industry agreement. This shopping industry agreement began, interestingly enough, with the Grollo organisation. The agreement provided for over-award payments in respect of work on shopping centre projects and, gradually, for the extension of fewer hours. Since 1981 in Victoria the shopping industry agreement, an informal agreement, has provided for a 36-hour week on Victorian shopping centre construction sites where the shopping centre construction is worth more than \$1m. In the case of the Jack Chia project, in stage one there is a shopping centre element worth about \$40m in a project worth between \$200m and \$250m. It is on that basis that the unions have negotiated this 36-hour week on this construction project, in conformity with what has been an arrangement of several years standing in this industry. It is something which began during the reign of the previous Government, which did nothing to reject and repudiate it. It was a pretty well established element of the industry when we came to office.

In respect of the second claim by Mr Gallagher that there was virtually agreement reached on Victoria's central project, which is a major proposed development in La Trobe Street, Melbourne, my understanding is that there have been no negotiations whatsoever with the Builders Labourers Federation regarding a 35-hour week on that project which, at this stage, is a project on paper which may or may not go ahead. More generally, the question of the actions of the Builders Labourers Federation are, of course, a matter of concern to the Government. We totally repudiate Mr Gallagher's claim that he has a right to pursue a 35-hour week. It is quite clear that, under the national wage guidelines, there is no capacity for him to do

that. It is quite clear from the building industry agreement that, generally, it is a 38-hour week with the proviso that existing arrangements, such as those at the Victorian shopping centre, will continue to apply. Mr Gallagher is in breach of that agreement and in breach of the national wage principles in trying to achieve a 35-hour week. On the information available to me, his claim that he has achieved one and is about to achieve another is totally incorrect. This Government will certainly do all in its power to prevent breaches of national wage guidelines by the Builders Labourers Federation or any other organisation.

QANTAS AIRWAYS LTD: CONCESSIONAL INTERNATIONAL TRAVEL

Mr KENT—Is the Minister for Transport aware of allegations relating to concessional international travel obtained by a director of Qantas Airways Ltd? If so, what action is being taken on the allegations?

Mr PETER MORRIS—I am aware of allegations of the nature referred to by the honourable member. The matter is the subject of urgent consideration by me at the moment.

TAX MEASURES

Mr CARLTON—Will the Treasurer please explain the difference, for tax deduction purposes, between a lunch provided for a client in a restaurant, a lunch provided for a client in a board room and a lunch provided for a client at something called a seminar?

Mr KEATING—I can hardly believe this. This is about the fifth go around on the restaurant issue and I do not think I have much more to say. Obviously, if anybody tries to circumvent this change to the tax system by seeking to arrange sham seminars for luncheons, that simply will not be accepted. I am quite certain that the Commissioner of Taxation will break into those arrangements like Elliott Ness into a Chicago brewery.

MELBOURNE AGE: ALLEGATIONS

Mr DUNCAN—My question is directed to the Special Minister of State.

Mr Tim Fischer—What about—

Mr DUNCAN—I am not going to ask my question in monosyllables so that the honourable member can understand it. Has the Minister's attention been drawn to the article in today's *Age* concerning a letter alleged to have been written by Dr Tiller in which Mr Justice

Murphy is mentioned? Has he any information to provide to the Parliament?

Mr YOUNG—Last night the honourable member for O'Connor raised a question during the adjournment debate concerning an alleged letter written between two Perth businessmen which included the name of His Honour, Justice Lionel Murphy. I do not think anybody here needs any introduction to the person so named or to the circumstances in which he now finds himself. Like the previous Government, or those people who have held my portfolio in the past, it has been my intention not to involve the Parliament in investigations being conducted by the Australian Federal Police or, now, the National Crime Authority because there is very little the Parliament can do to help those sorts of things. Nevertheless, this matter has been raised and, as it has received some publicity, I felt it best that those members of the Press who have not already run anything about this matter should be made aware of the circumstances surrounding it.

I have been advised by the Australian Federal Police that they received from the *Age* newspaper a photostat of the letter allegedly written by Dr Tiller to Mr Quartermaine which refers to arranging a meeting with Lionel Murphy on a particular matter. Dr Tiller was interviewed on 5 April in relation to the letter, after the letter had been handed over by the *Melbourne Age* to the Australian Federal Police. So the matters contained in the letter were not news to the *Melbourne Age* today. Dr Tiller, in his interview, denied writing, sending or having any knowledge of the contents of the letter. He also stated that he was in Canada at the time the letter was allegedly written. He admitted knowing Mr Quartermaine but denied knowing or ever having met Lionel Murphy. I should say in relation to this matter that, on 24 September, there was an article in the *Melbourne Age* headed 'Surgeon urged agent to avoid tax scandal'. The article states:

A leading WA surgeon under Tax Office scrutiny discussed with a Perth businessman the futility of making 'further inducements' to department officials and urged him to seek support from a powerful public figure in Canberra to avoid what he called a public scandal.

Federal Police have questioned orthopaedic specialist Mr Michael Tiller about the letter sent to them by the National Crime Authority in which he wrote to former travel agent Murray Quartermaine.

The letter was not sent by the National Crime Authority to the Australian Federal Police; it was sent by the *Melbourne Age*. On page 3 of the first edition of the *Age*, which reached us

this morning—obviously, the honourable member for O'Connor must have talked to the *Melbourne Age* before he made his speech last night—we see an article headed 'Murphy was figure named in tax case letter, MP claims'. The article then carries substantially what the honourable member for O'Connor had to say last night.

As I have said, this news is nothing new to the *Melbourne Age*. It was aware of the content of the letter. That newspaper knew the problems it would have concerning writing anything about it prior to the matter being mentioned under privilege here last night because it had been responsible for handing it to the police, rightly so, for the police to carry out their inquiries.

I should also add that the Australian Federal Police investigations have been hampered by the absence from Australia of both Mr Quartermaine and Mr Moll and the unavailability of the original document. The Australian Federal Police are not in a position to prove the author of the letter. There has been substantial evidence in the past of falsified documents in the Moll case. Australian Federal Police investigations into the activities of Christo Theo Moll are continuing. A warrant has been issued in Western Australia for his arrest. Investigations have revealed a number of other persons involved in the illegal transfer of funds out of Australia.

FRINGE BENEFITS TAX: EFFECTS ON CAR INDUSTRY

Mr DOWNER—My question is directed to the Treasurer. In view of Senator Button's admission on 9 October that the Government introduced its new fringe benefits tax on cars without a study of its likely effects on the car industry—the industry itself estimates that it will cost 50,000 units and 12,000 jobs—will the Government either now abandon the new tax on cars, which the industry says could cripple the Government's car plan, or amend the car plan to accommodate the effects of the new tax on the industry?

Mr KEATING—The thing about members of the Liberal Party of Australia is that they are always out there to protect ramps in the tax system for those people who, for years, they allowed to escape through the 60 per cent net. They never bothered to close loopholes in the tax system because they knew that their constituency was slipping through the 60 per cent rate while everybody else had to pay. Any government which moves to take away those tax op-

Med

Allocated to you.

As discussed, high priority.



15/7/82

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

ALLEGATION NO. 30 - THE WILSON TUCKEY ALLEGATIONS

Wilson Tuckey alleged in Parliament that the Judge was involved in a tax scandal. Both The Sydney Morning Herald and The Age reported these allegations. Tuckey suggested that the Judge had assisted a Doctor Tiller and a Murray Quartermaine to avoid difficulties arising out of their tax evasion activities. The allegation apparently emanated from a letter which was said to have been written by Tiller. That letter came into the possession of The Age via Christo Moll. Tiller immediately denounced the letter as a forgery.

Action to be taken

1. Obtain copy of letter (or original if possible)
2. Interview Tiller
3. Interview Quartermaine (if possible)
4. Speak to Wilson Tuckey
5. Speak to Christo Moll?
6. Speak to Bob Bottom and David Wilson at Age.

We should initially obtain the Hansard reference so as to get a precise account of what Mr Tuckey said about this matter in Parliament. If the original of the letter can be obtained, it may be possible to determine whether Tiller is telling the truth when he claims it to be a forgery. There is no other action that is warranted at this stage.