Royal Commission Investigating Certain Charges of Corruption

REPORT

of

ROYAL COMMISSIONER

Presented to both Houses of Parliament by His Excellency's Command.

[SECOND SESSION OF THE SIXTEENTH PARLIAMENT.]

PERTH:

BY AUTHORITY: FRED. WM. SIMPSON, GOVERNMENT PRINTERS.

1937.
ROYAL COMMISSION

WESTERN AUSTRALIA. | By His Excellency Sir James Mitchell, K.C.M.G., Lieutenant-Governor in and over the State of Western Australia Lieutenant-Governor, and its Dependencies in the Commonwealth of Australia.

To Percy Lloyd Hart, of Inn of Court, Brisbane, Barrister-at-Law:

1. THE said Lieutenant-Governor, acting with the advice and consent of the Executive Council, do hereby appoint you, Percy Lloyd Hart, to be a Commissioner to inquire into the following charges of bribery and corruption made by Mr. Thomas John Hign in a speech on the Address-in-Reply in the Legislative Assembly of Western Australia on the 27th day of August, 1936, in relation to the following matters:

1. With regard to the present Premier (Hon. J. C. Willcock),

(a) That he perpetrated the Yalladine mining frauds, one of the worst instances of fraudulent practice in the mining history of this State.

(b) As Minister for Justice stopped Wrostheite's trial because he was a wealthy squatter. This is the man who puts justice on the auction block for sale.

(c) The shareholders of the "Western Australian Worker" were pensioned off by a discharge to the liquidation of five men, of which the present Premier is the leader.

(d) The Labour Services Association get registration only because the present Premier was prepared to violate the traditions of the Minister for Justice and grant an improper certificate. The "Worker" belongs to five men who obtained ownership by fraud.

2. With regard to the "West Australian" Newspaper.

(a) The reason why the public life of this State has deteriorated is because the Government have been the puppets of the "West Australian" newspaper, and all criticism of the Government is severely stilted in this leading capitalist newspaper.

(b) The price of the "West Australian" newspaper was the abandonment by the Government of all the principles for which they ever stood. The shifting of the incidence of taxation from the shoulders of those in the upper-middle class and the higher class on to the backs of the workers and the lower-middle class is the price paid for the support of the "West Australian" newspaper.

3. With regard to the Hon. E. H. Gray, M.L.C.

Mr. Gray went to the Trades Hall at Perth, and he and his colleagues took, unlawfully, £231 out of the funds of the union to pay for Mr. Gray's legal transgressions. Never was money used more fraudulently. There was a plain misappropriation. That sum of £231, the property of Western Australian unionists, was misappropriated by Mr. Gray and his colleagues.

4. With regard to Hon. A. McCallum (present Chairman of the Commissioners of the Agricultural Bank).

(a) He had the Premier of the State in an unfortunate position, in which he could blackmail the Premier into doing anything he wanted. The Premier was in the unfortunate position that he had to leave the State, and when he returned the gun was put at his head by our noble Alec McCallum. He was not game to wait and stand the chance of having his seat declared vacant, but he forced the Premier to take certain action because he had the Premier, who had been his colleague for years, at his mercy; so he demanded from the Premier the job, for which he has absolutely no qualifications at all, at £2,000 a year.

(b) (With reference to a picture show and to a hotel at Nedlands)—

But the Minister for Lands, the member for Mt. Majakat, held out on them, not wishing to let them have either the picture show or the hotel. He would not pass the necessary regulation. He held them up for four months before he would let the regulation go. Then something extraordinary happened. The then Premier suddenly transferred from the Minister for Lands to Mr. McCallum, who was then Minister for Works, the portfolio governing town planning; and three days before Mr. McCallum retired from public life he reversed the decision of the Minister for Lands and granted leave for the pub and the picture show.

5. With regard to the Licensing Court.

(a) This State of Western Australia is a paradise for gangsters and grafters. We have a licensing law. We have three men administering the Licensing Act. There had been seven or eight petitions for a pub. It is an extraordinary thing how licences are granted by the Licensing Bench. Seven, if I am not mistaken, were made for a licence in Mt. Lawley. Each petition had the required number of signatures. The blocks of land appeared to be more or less the same. All the applications were rejected, till suddenly Senator B. Johnston's petition comes along, makes an application, and it is granted without any trouble.

(b) There was an hotel at Nedlands. There was trouble about the licence. It was desired to have a picture show at Nedlands. A friend of the head of the Agricultural Bank, Mr. Alex, McCallum, wanted to run pictures; but the Town Planning Commission would not give him permission to make the area a business area. Then along comes another gentleman, who wants a hotel. He selected a block of land, to all intents and purposes equal to the one on which the hotel was afterwards built. He applied for the licence, and in came Senator Johnston again for a licence on the opposite corner. Last was first in charge; the Senator got the licence.

(c) The Licensing Bench today is apparently the monopoly of one or two men, and the sooner we abolish the Licensing Bench the better for the honour of Western Australia.

(d) The members of the Licensing Bench are in a terrible position. They are appointed for three years, and they know that if they do not do as they are told, out they go at the end of the three years.

6. With regard to Starting-price Betting.

(a) Before the last election the starting-price bookmakers were promised immunity and sympathetic consideration, if they subscribed to the party funds of the Government.

(b) Between them they put up £250.

(c) That money was given to the representative of the Government on behalf of their funds.

7. With regard to Mining Reservations.

(a) The present Government have handed over the mining areas to Mr. de Berranes.

(b) Today de Berranes is virtually Minister for Mines. He has a reserve of all the gold-bearing and good greenstone gold-bearing country in this State.

(c) When the Minister (referring to Hon. S. W. Munser) went to London he was merely the smoke-screen for de Berranes.

In connection with the foregoing enumerated heads of inquiry you shall not be limited to the actual allegations hereinafore quoted under those heads, but you may also take for the purpose of the inquiry any other statements relevant to those heads made by Mr. Hughes in his speech on the 27th August, 1936.

And I declare that you shall, by virtue of this Commission, be a Royal Commission within "The Royal Commissions' Powers Act, 1933," an excerpt in the Appendix to the Sessional Volume of Statutes for the year 1926, and that you shall have the powers of a Royal Commission or the Chairman thereof under that Act.

And I hereby request you, as soon as reasonably may be, to report to me in writing the result of your Commission.

Given under my hand and the Public Seal of the said State, at Perth, this 34th day of December, 1936.

By His Excellency's Command,

(Sgd.) J. WILCOCK,
Premier.

GOD SAVE THE KING!!!
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To His Excellency Sir James Mitchell, K.C.M.G., Lieutenant-Governor in and over the State of Western Australia and its Dependencies in the Commonwealth of Australia.

May it please Your Excellency—

On the 12th day of January, 1937, I received Your Excellency's Commission dated the 24th day of December, 1936, to inquire into the following charges of bribery and corruption made by Mr. Thomas John Hughes, M.L.A., in a speech on the Address-in-Reply in the Legislative Assembly of Western Australia on the 27th day of August, 1936, in relation to the following matters:—

1.—With regard to the present Premier (Hon. J. C. Wilcock).

(a) That he perpetrated the Yellowline mining frauds, one of the worst instances of fraudulent practice in the mining history of this State.

(b) As Minister for Justice stopped Crosthwaite's trial because he was a wealthy squatter. This is the man who puts justice on the auction block for sale.

(c) The shareholders of the “Westralian Worker” were defrauded of a controlling ownership by an organisation of five men, of which the present Premier is the leader.

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Mr. Gray went to the Trades Hall at Perth, and he and his colleague took, unlawfully, £721 out of the funds of the industrial unions of this State to pay for Mr. Gray's legal transgressions. Never was money used more fraudulently. There was a plain misappropriation of funds. That sum of £721, the property of Western Australian unionists, was misappropriated by Mr. Gray and his colleagues.

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(a) He had the Premier of the State in an unfortunate position, in which he could blackmail the Premier into doing anything he wanted. The Premier was in the unfortunate position that he had to leave the State, and when he returned the Governor put at his head by our noble Alex. McCallum. He was not game to wait and stand the chance of having his seat declared vacant, but he forced the Premier to take certain action because he had the Premier, who had been his colleague for years, at his mercy; so he demanded from the Premier the job, for which he has absolutely no qualifications at all, at $2,000 a year.

(b) (With reference to a Picture Show and to a Hotel at Nedlands)—

But the Minister for Lands, the member for Mt. Magnet, held out on them, not wanting to let them have either the picture show or the hotel. He would not pass the necessary regulation. He held them up for four months before he would let the regulation go. Then something extraordinary happened . . . . The then Premier suddenly transferred from the Minister for Lands to Mr. McCallum, who was then Minister for Works, the portfolio governing town planning; and three days before Mr. McCallum retired from public life he reversed the decision of the Minister for Lands and granted leave for the pub and the picture show.

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(c) The Licensing Bench to-day is apparently the monopoly of one or two men, and the sooner we abolish the Licensing Bench the better for the honour of Western Australia.

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   consideration if they subscribed to the party funds of the Government.
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   (a) The present Government have handed over the mining areas to Mr. de Bernales.
   (b) To-day de Bernales is virtually Minister for Mines. He has a reservation of all the gold-bearing
   and good greenstone gold-bearing country in this State.
   (c) When the Minister (referring to Hon. S. W. Mansie) went to London he was merely the smoke-
   screen for de Bernales.

It was directed that I should not be limited to the actual allegations hereinafter quoted under those
heads, but should be at liberty to take for the purpose of the inquiry any other statements relevant to the foregoing heads made by Mr. Hughes in his speech of the 27th day of August, 1936.

It was declared by the said Commission that I should be, by virtue of the Commission, a Royal Com-
mission within "The Royal Commissioners' Powers Act, 1902," as reprinted in the Appendix to the
Sessional Volume of Statutes for the year 1928, and that I should have the powers of a Royal Commission
or the Chairman thereof under that Act.

Pursuant to Your Excellency's command I assumed, on Wednesday, the 13th day of January, 1937, the burden of the inquiry.

At the first sitting of the Commission I determined that any of the parties concerned might be repre-
sented by Counsel. In view of the grave nature of the various charges, and as the people were directly
interested in the matters involved in such charges, I further determined that the proceedings of the Commission should be open to the public and representa-
tives of the Press.

At this same sitting Mr. Thomas John Hughes, who in addition to being a member of the Legislative Assembly, is also a duly qualified barrister and solicitor, stated that he appeared in person.

Sir Walter James, K.C., appeared for the Ministers of the Crown who had been mentioned in Mr. Hughes' speech of the 27th day of August, 1936, and for the Hon. E. H. Gray, M.L.C., as well as for the Hon. A. McCullum, a former Minister of the Crown.

Mr. H. C. F. Keall appeared to assist the Commission, whilst Mr. A. A. Wolf, K.C., the Crown Solici-
tor, appeared for the Crown Law Department, the Mines Department and the Licensing Court.

After discussion, it was determined by me, by and with the consent of Mr. Hughes and all other Coun-
sel, that some of the charges should be treated as separate issues whilst others should be dealt with jointly.

At this same sitting Mr. Hughes stated that the parties for whom Sir Walter James, K.C., appeared
were, in substance, accused persons, and yet had themselves framed the charges brought against them.

In my view it is no part of my duty to consider who framed the charges. I accepted the Commission
from His Excellency the Lieutenant-Governor and have no further concern other than to inquire into
such charges and to report the result.

Mr. Hughes having brought the matter up, I think I should state that in my view the charges, as enume-
rated in the Commission, fall within the reserved matters of Mr. Hughes as set out in Hansard, the correct-
ness of which report Mr. Hughes in no way challenged. This Hansard was produced and put in as an exhibit. In this connection I regret that by reason of the loose phraseology used by me at an early
stage of the hearing, it was made to appear that I was under the impression that the Hon. C. G. Latham, M.L.A., Leader of the Opposition in this State, had framed the charges set out in the Commission.

Nothing, of course, could be more incorrect, as this gentleman, I am satisfied, merely moved the resolution in the Legislative Assembly, which resolution appears in a copy of Hansard (Exhibit 3).

Mr. Hughes desired that I should deal with other matters not mentioned in the Commission. At this
stage I refused to receive the request, pointing out that I was limited by the terms of my Commission, but I ruled that he was at liberty to submit at a later stage for my consideration the further matters which he desired me to inquire into, so that I might then consider whether or not I would make a recom-
 mendation as to the extension of the Commission.

No fresh matters were in fact submitted.

Mr. Hughes duly took part on the hearing of the first charge.

After the second charge, namely, that described as the Crosthwaite matter, had partly proceeded, but before any evidence was called, Mr. Hughes stated that he was desirous of calling evidence relative to certain matters hereinafter more fully mentioned.

Upon my pointing out that I had no direction from His Excellency to inquire into these matters, Mr. Hughes withdrew from the Crosthwaite issue.

After the hearing of the charge No. 4 (a) and (b) and during the hearing of charge No. 3, Mr. Hughes stated that he would take no further part at the hearing.

Mr. Hughes was called as a witness and gave evidence in support of the charges concerning the Licensing Court. He was also called in the matter affecting starting-price bookmakers. He declined to
give any evidence, claiming that he was protected from so doing by the Bill of Rights, the English Statute passed in 1688 (1. William and Mary, Sess. 2, Chapter 2). A section of that Act reads as fol-lows:—"That the freedom of speech and debates or proceedings in Parliament ought not be impeached or inquired into in any Court or place out of Parliament?"

Mr. Hughes adopted my suggestion that he was submitting that "The Royal Commissioners' Powers Act, 1902," as reprinted in the Appendix to the Sessional Volume of Statutes for the year 1928 must be read and construed as though Members of Parliament were not referred to therein when summoned to give evidence touching that which had happened in Parliament.

I held that as Mr. Hughes had made the charges but was not desirous of giving evidence in regard to
the same, it was not my duty to endeavour to compel him so to do. I further held that it was there-
fore unnecessary for me to decide upon the validity of Mr. Hughes' objection based upon the Bill of Rights.

I deeply regret the fact that Mr. Hughes saw fit to withdraw his professional assistance. Up to the time of such withdrawal I had received much assistance from this gentleman, and I should have valued in the extreme any further assistance that he felt he could give me. I would particularly have valued any submission made by Mr. Hughes as to the legality or otherwise of the payment of Messrs. Mann's and Gray's legal expenses and fines by the State Executive of the Australian Labour Party.

The first charge inquired into was Charge No. 1 (a) "That he (Hon. J. C. Wilcock) perpetrated the Yellowdine Mining Frauds, one of the worst instances of fraudulent practice in the mining history of this State."

Various witnesses were called in respect of this charge, but as I am annexing to this report a copy of the whole of the evidence taken, I think it unnecessary to deal at length with the evidence given by the witnesses.

To an ordinary reader this charge in itself would suggest not only that a particularly fraudulent act had been committed by the Hon. J. C. Wilcock, but that a series of frauds in connection with mining at Yellowdine had been perpetrated to the prejudice of the public of this State, and that all of these frauds that perpetrated by the gentleman in question was one of the worst on record.

I may say at once that no evidence whatever of a series of frauds committed upon the public was offered before me at the hearing. On the contrary, Mr. Hughes confirmed his evidence and his contentions to the facts surrounding the formation and transactions of a certain company called the Yellowdine Gold Options, No Liability. He further stated that when speaking in the House of Assembly on the 27th day of August, 1936, he intended his remarks to apply to this company and to this company only.

I find as a fact that this company was registered in the office of the Registrar of Companies at Perth on the 29th day of January, 1935. Contemporaneously with such registration, that is to say, a little before or a little after that date, two documents were prepared and issued—1, a prospectus (Exhibit 4), and 2, an abridged prospectus (Exhibit 5) which was published in the Press on or about the 24th day of January, 1935. It is to the former of these documents to which Mr. Hughes took such exception, though he also complained of the other.

The main points made by Mr. Hughes on this issue may be summarised as follows:—(a) That is was improper for a Minister of the Crown, and particularly for the Minister for Justice, to permit his name to appear in a prospectus as a director, where the particular office occupied by such Minister is designated in the prospectus. Whilst submitting that such a state of affairs was improper, Mr. Hughes stated that the same was not illegal. The agreement with him that there is nothing illegal in a Minister of the Crown, and in particular the Minister for Justice, permitting his name to appear in a prospectus as a director, with the designation of the particular office occupied by such Minister. In my view there are many reasons why a Minister of the Crown should not be a director of a mining company, and I think there are few reasons, if any, why he should be. Upon this point I readily acknowledge that different views may be entertained. However, I entirely fail to see why a Minister should be branded as fraudulent merely because he joins a Board of Directors and permits his name to be used in the manner above set out.

(b) That the company's prospectus was misleading inasmuch as at the beginning it showed that 400,000 shares were held in reserve, 200,000 of which were to be offered to the vendor at par. That this statement was inconsistent with the following wording used in the prospectus:—"the total consideration therefore payable by the company on the above-mentioned conditions is £50,000 in cash, and the allotment and issue of 200,000 shares." Further, that this statement was misleading.

I do not see how the company's prospectus could in any way mislead the public on the matter of the shares held in reserve. If 400,000 shares had already been taken up by the public, as I find to be a fact, or even were to be taken up at a later stage, from what source were the 200,000 shares, part of the consideration to be paid by the company on the exercise of its option, to come unless indeed from the reserve of 400,000 shares? To my mind there is nothing whatever in this contention.

(c) That although within the law, it was contrary to the policy of the Mining Act that any one person, in this case Percy James Blake or James Frederick Worthing, should hold 17 prospecting areas.

I am bound to say I was at first much impressed on hearing Mr. Hughes' contention in this respect, namely, that although within the law it was contrary to the policy of the Mining Act that any one person, in this case Percy James Blake or James Frederick Worthing, should hold 17 prospecting areas, but on hearing the evidence of Mr. Joseph Thomas, Acting Principal Registrar of Mines in this State, and on hearing the arguments of the respective Counsel, I have come to the conclusion that the policy of the law was in no manner broken. I think Mr. Hughes is correct in his contention that it is the policy of the Law that these prospecting areas should be held by as many persons as possible, and that a large number of these areas should not be held by a single individual. It is to be remembered, however, that clause 1 of the prospectus, and the various agreements in connection with the acquisition of the prospecting areas, speak only of the option to purchase the areas mentioned therein. It is, I think, clear that the Mines Department will not sanctions the holding by a company of more than one prospecting area. If an option to purchase more than one prospecting area be exerised by a company, the prospecting area may not be transferred to the company, but a lease must be applied for.

I therefore find that the charge of fraud in this respect was baseless.

(d) That the details of the moneys as shown in the prospectus to be paid by the company for the options were so lengthy and so difficult to follow that they were in themselves misleading.
I do not agree with the contention that the details of the moneys as shown in the prospectus to be paid by the company for the options were so lengthy and so difficult to follow as to be in themselves misleading. I think, and so find, that the prospectus in this respect was clear and definite, and that no reasonable person of average intelligence could possibly have been misled thereby.

(c) That the report of the expert, Mr. P. G. D. Lavater, mining engineer, which was published as part of the prospectus—(1) should never have been issued to the public, as it was vague and misleading, in that the statement that "the country generally is very favourable to the occurrence of auriferous lodes" is in itself vague and misleading and that the man in the street would read that portion of the report which related to the de Bernardes group as relating to Yellowdine Gold Options, No Liability; (2) was not based on any data and was not an honest opinion; (3) that portion of the report relative to group of Options No. 1, which stated that "the position is therefore excellent"; that portion of the report relative to group No. 2, which stated that "the position is therefore good, and as the country is favourable, further discoveries may be made"; that portion of the report relative to group No. 3, which stated that "the country comprised in this group is very favourable for prospecting"; and that portion of the report relative to group No. 4, which stated "their situation is otherwise favourable for prospecting work," was in each case unjustified and misleading.

(f) That the statements made in the abridged prospectus were entirely misleading.

As to (c) and (f) above—I think these contents may conveniently be dealt with together.

I consider that the report of Mr. P. G. D. Lavater, which was published as part of the prospectus, was a clear and definite report, and I consider the same to be a favourable report. In my view, then, the directors were justified in stating in the abridged prospectus which appeared in the Press, Exhibit 5, that they had received a favourable report from Mr. Lavater, and more particularly as in the abridged prospectus the conclusions arrived at by Mr. Lavater as to groups 1, 2, 3 and 4 of the prospecting areas are set out. One must appreciate that any expert making an inspection would not have a great deal to go upon. Mr. Lavater in this case, in substance, deposed that he relied partly upon his experience, partly on information received from the Mines Department, partly on what he saw in the shaft on the de Bernardes group and on the evidence of his own eyes generally.

Mr. Lavater swore that that portion of his report which stated that "the country generally is very favourable to the occurrence of auriferous lodes" was his honest opinion. I cannot think that Mr. Hughes' contention that the man in the street would read that portion of the report which related to the de Bernardes group as relative to the Yellowdine Gold Options, No Liability, is well founded.

Mr. Lavater voluntarily came forward to give evidence and subjected himself to cross-examination. In the witness chair Mr. Lavater impressed me as being honest and sincere, and from his evidence I formed the conclusion that he has had a vast experience in his profession. Moreover, I am of the opinion that so much of the report as is contained in the words "the position is therefore excellent," "the position is therefore good, and as the country is favourable, further discoveries may be made," "the country comprised in this group is very favourable for prospecting," "their situation is otherwise favourable for prospecting work," represented Mr. Lavater's honest opinion.

I have already dealt with the abridged prospectus and I repeat that I am quite unable to agree that the same was in any way misleading.

I am of the opinion the report was an honest one and being made by a gentleman of considerable experience, in my view the directors of the company, including the Hon. J. C. Wilcock, were fully justified not only in publishing the same in the prospectus, but in setting generally upon it.

(g) That the second last paragraph in the prospectus under the word "General," was inserted merely for the purpose of saving the directors from civil liability for the misleading statements in the prospectus and to relieve them from the obligation to account (an obligation which might be compared to that of a trustee).

This contention relates to the second last paragraph in the prospectus under the word "General." In substance, the paragraph discloses that some of the directors of the company were or might be interested in the acquisition of the options.

It was considered by Mr. Hughes that the warning contained in the paragraph in question was not inserted bona fide for the public interest; that the Hon. J. C. Wilcock should not have been associated with any company containing any such clause in its prospectus or any similar clause in its articles of association.

I am quite unable to accede to this view for a fraction of a second.

Mr. Hughes compared the position of a director of a company to a trustee, in so far as a trustee is not permitted by law to make any profit out of his trust unless authorised by the trust deed or by the law of the land. The latter contention in so far as it concerns a trustee is, of course, correct, and although it may be admitted from from many points of view the position of a director of a company is comparable to that of a trustee, in many respects the parallel does not hold good.

In the articles of association of this company there appears an article enabling the directors to contract with the company upon disclosure of their interest. A precedent for this article has for many years appeared in text books relative to company law (see Palmer's Company Precedents).

I am quite unable to see, then, why it should be held to be evidence of fraud on the part of the Hon. J. C. Wilcock that he associated himself with a company which issued a prospectus.
containing the clause in question, or in whose articles was to be found the article to which I have just referred.

(b) That a higher burden was cast upon the Premier by reason of his position than would ordinarily be placed upon the shoulders of a private citizen. The Premier, as Minister for Justice, had all the resources of the Crown at his disposal and could readily have obtained information from the Mines Department. That it was the duty of the Hon. J. C. Willcock, as Minister for Justice, to make all reasonable inquiries, and that he had not done so. He was therefore in the position of a man wilfully shutting his eyes to the true facts. That the Hon. J. C. Willcock had acted recklessly and with utter disregard to the truth. That under all the circumstances of the ease the only inference to be drawn was that he, the Hon. J. C. Willcock, was guilty of fraud. That prior to the 14th day of April, 1935, the whole of the options which Yellowline Gold Options, No Liability, had obtained over the 17 prospecting areas mentioned in that prospectus had been abandoned. It was therefore the duty of the Hon. J. C. Willcock and his co-directors either to call a meeting of the shareholders with a view to the company's liquidation, or else themselves to petition for the winding up of the company.

I agree with Mr. Hughes' contention that a high burden is placed by the community on the shoulders of any person occupying a responsible position in the State. I further agree that the Premier as Minister for Justice should set a high example to the community, but I am bound to state that, after a careful review of all the evidence offered and an equally careful consideration of the arguments used, I do not see that the Hon. J. C. Willcock has in the slightest degree failed in his duty in this respect.

I agree that it was the Hon. J. C. Willcock's duty to make all reasonable inquiries, either as a director or a provisional director of this company, but I think he did so, and that there was nothing to arouse suspicion.

I entirely fail to see that the Hon. J. C. Willcock has acted recklessly or with utter disregard to the truth.

True it is that prior to the 14th day of April, 1935, the whole of the options which Yellowline Gold Options, No Liability, had obtained over the 17 prospecting areas mentioned in the prospectus had been abandoned, but this seems to me to indicate the continuance of that care which the evidence discloses was exhibited by the directors on the formation of the company.

I am driven to the conclusion that the question of the price to be paid by the company was carefully considered and debated by the directors, and that notwithstanding the tentative arrangement made, that the company was to pay a lump sum of £15,000 odd as the price of the options, the Hon. J. C. Willcock and the other directors arrived at a far more beneficial arrangement for the company with Mr. Worthing than that already contemplated.

To illustrate what I mean—it is beyond doubt that by reason of discussion and bargaining the company, in lieu of paying £15,000 in a lump sum, was permitted by agreement as appears from the prospectus to pay down as a primary deposit the sum of £6,000. This enabled the company to prospect three prospecting areas up to the 14th day of April, 1935, without the further payment of a single penny. This prospecting was, in fact, done after the 25th day of January, the date of the registration of the company, and prior to the 14th day of April, 1935.

It appears from the minutes of the statutory general meeting of shareholders held at Perth on the 24th day of May, 1935, that the chairman of the meeting informed the shareholders as follows:

"Immediately the company was registered your provisional directors engaged a well-known prospector and supplied him with equipment and twenty men. The work had to be done expeditiously as the directors had to be in a position of knowing, about the middle of April, whether the options on any of the areas would be exercised or not. Heavy payments were falling due during the month.

"The manager, Mr. D. Hough, advised the board four weeks after the commencement of his activities, that he required expert advice. The board asked me (i.e., the chairman, Mr. Walter Clark, mining engineer) to immediately leave for Yellowline, and confer with him and my trip was to confirm, or otherwise, his opinion of at least three of the groups. In company with Mr. Hough, I made a careful inspection of the groups, and on my return advised the board to throw up the whole immediately, with the exception of the group near the Commonwealth Mining and Finance Co. Ltd."

"I made a careful study of the last-mentioned group, and although I agreed with Mr. Hough that our energies should be concentrated here, I could hold out little hope of striking anything that would warrant further payments to the vendors.

"Just before the options expired (the chairman was referring to the payment which fell due on the 14th day of April, 1935) Mr. Hough advised that his further work and investigations had been abortive, and it was decided to give the vendors notice of our intention to abandon the whole of the groups on this field."

This report in itself convinces me that the directors carefully guarded the interests of their shareholders, and I cannot possibly draw any inference of fraud, either in the matter of taking an option over the prospecting areas or in the giving up of the same, from the fact that these prospecting areas turned out to be valueless in the opinions of Mr. Hough and Mr. Clark.

Mr. Hughes' further contention in this respect was that it was the duty of the Hon. J. C. Willcock and his co-directors either to call a meeting of the shareholders with a view to the company's liquidation, or else themselves to petition for the winding up of the company.

Mr. Hughes in this connection went on further to contend that instead of throwing the company into liquidation, two leases situate near Southern Cross, namely Three Boys and Messina, were acquired by the directors.

It would appear that considerable work had been done on these leases, and that an option to purchase same had been given to a Melbourne company or syndicate. This option did not, according to portion of Exhibit 5, expire until the 15th day of April. The Melbourne company or syndicate did not exercise its option, and as early as the 17th day of April, 1935, Options Ltd. offered some to the Yellowline Gold Options, No Liability.
Mr. Hughes therefore submitted that the true consideration to be paid by Fraser's Consolidated Gold Development, Ltd., was not £100,000 in cash and shares but £50,000.

The making of the two agreements, Mr. Hughes submitted, afforded the clearest evidence of fraud on the part of the directors of Yellowdine Gold Options, No Liability, and in particular, on the part of the Hon. J. C. Wilcock.

Mr. Hughes, in this connection, submitted that the transaction afforded evidence of a deliberate intention to mislead the English investors, or in the alternative, the directors were guilty of fraud inasmuch as they deliberately placed others in the position to commit fraud.

He further contended that the object of the two agreements was to deceive the British investor by producing the earlier of the two agreements, that is the one showing the consideration of £100,000 and leading the public to believe that £100,000 had been paid to the Yellowdine Gold Options, No Liability, upon the exercise of the option given by the earlier agreement.

I confess that these contentions, submitted as they were by Mr. Hughes, have given me grave cause for thought, but it is to be borne in mind that I am investigating a charge of fraud against the Hon. J. C. Wilcock.

It should be remembered in this connection that the Hon. J. C. Wilcock left Perth in February, 1935, and was absent therefrom until the 20th day of June, 1935, and that under and by virtue of a certain article the Hon. J. C. Wilcock had appointed his brother-in-law, Mr. Stone, an alternate director. The point is of so much importance that I venture to set out the article in question:—

"Any director may, with the approval of the majority of the other directors, appoint any shareholder holding the requisite qualification to be an alternate director during his absence from Perth, or inability for any other reason to act, and such alternate director shall be subject to the same terms and conditions as the other directors and to perform and discharge the powers and duties of the director he represents, and receive the remuneration to which such director would have been entitled when present. The director may at any time revoke the appointment of any alternate director appointed by him (subject to the approval aforesaid) and appoint another person in his place."

On the 4th day of March, 1935, at a meeting of directors, Mr. Stone's appointment by the Hon. J. C. Wilcock as alternate director was approved by his co-directors (see minutes of directors' meeting of 4th day of March, 1935, Exhibit 22).

The Hon. J. C. Wilcock attended the meeting of the directors held on the 9th day of July. At this meeting the matter of the giving of an option to London, Scottish, and Australian Trust Ltd. as trustee for Fraser's Consolidated Gold Development Ltd. was apparently discussed. The Hon. J. C. Wilcock is shown by the minutes as having arrived at the meeting of directors after the stage when this discussion had gone forward. The minutes then go on to say "after discussion, Mr. Wilcock stated he would like Mr. Stone to continue as his alternate director.
until the present business in hand with London was concluded. Mr. Stone agreed to this suggestion." It was common ground that "the present business in hand with London" referred to the matters afterwards concluded by the two several agreements of the 15th day of July (Exhibits 14 and 15).

The Hon. J. C. Willecock gave evidence in person, and was cross-examined by Mr. Hughes upon his knowledge of the contents of the two several agreements.

The Hon. J. C. Willecock swore, in substance, that he believed at all times the consideration to be received by his company was £50,000, but that as to the form of the agreement or agreements he knew nothing, leaving the mode in which the agreement was to be carried out to the solicitors of the company, Messrs. Joseph, Muir & Williams.

What the position of an alternate director is, under an article such as I have above set out, is somewhat difficult to determine. On my view of the article, however, the Hon. J. C. Willecock was justified in leaving the matter in the hands of his substitute, Mr. Stone.

Mr. Hughes contended that the Hon. J. C. Willecock's duty as a director never ceased, and that he owed the same duty to the public as though Mr. Stone had never been appointed director in his place.

I have been unable to find any authority, either in Australia or in the United Kingdom, dealing with the situation.

I am definitely of the opinion, however, that it would be indeed difficult to impute fraud to a director who has appointed an alternate director, if any fraud there be.

Mr. Hughes' main contention in this respect was that the difference between £100,000 and that of £50,000 to be paid to International Mining and Finance Corporation Ltd. was, in reality, a secret commission.

It is necessary, therefore, to examine carefully this contention.

Mr. Hughes contended that the existence of the second agreement (Exhibit 15) was intended to be kept secret from English investors, and that this was evidence of fraud, basing his contention on an old common law authority "that secrecy is ever a badge of fraud."

First, then, Mr. Crawcour, a barrister and solicitor of the Supreme Court of this State, swore that the documents (Exhibits 14 and 15) were not to be operative documents, or to have any force or effect unless and until the matters were placed before a meeting of the shareholders, and approved of by them. If the directors, including the Hon. J. C. Willecock, were party to a fraudulent design they proceeded in a most strange manner.

I say this because it appears to me every effort was made to place the true position before the shareholders in Yellowline Gold Options, No Liability, at an extraordinary general meeting held in Perth on the 25th day of July, 1895.

In this respect the minutes of the meeting (Exhibit 14) are most illuminating. The minutes disclose that a large number of shareholders were present and that proxies were given for over 100,000 shares. They further disclose that the chairman, Mr. Walter Clark, called upon Mr. A. R. Williams, a barrister and solicitor practising his profession in Perth, to explain the various agreements that the directors had entered into, which were all subject to confirmation by the shareholders.

This writer record confirms the evidence given by Mr. Crawcour in this respect, but it also establishes the fact that the directors were anxious to protect the rights of their shareholders.

Mr. Williams, in addressing the shareholders, then expressed himself as follows:

"The option agreement we have given, however, is subject to a further agreement between the company and a company known as London International Mining and Finance Corporation Ltd., which is a local company formed by the English group to cover any loading which may be put on our price, and by this further agreement our company agrees to pay £10,000 in English currency and £40,000 in shares to International Mining and Finance Corporation Ltd. It must here be explained that this company appears to be selling our property for £100,000 and actually receiving £50,000. Your directors consider that if we give an option to an English group it is still open to them to place whatever loading they deem fit, but by doing it the way explained we know the maximum extent they are loading the transaction. We must, however, bear in mind that our profit is also fairly substantial. The period of the free option is four months when on the payment of the sum of £50,000 they have a right of extension for a further three months. During the term of the option our company will proceed with its development policy, and the working of the leases under the supervision of the company's consulting engineer. Any moneys so spent, not to exceed £7,000, will be repaid to the company, if and when the option is exercised. At a later stage a shareholder asked the following question: 'Could you tell us what will be the net return to this company in Australian currency?' The secretary: 'The chairman has given us permission to inform you that the directors have agreed to give a per cent. commission to the person who introduced London interests. This must first of all be deducted from the gross amount and the net amount in each should not be less than £20,000 and approximately the same amount in shares.'

Had the directors of this company intended to work a fraud I am quite unable to imagine a more stupid course of conduct than that adopted. A report would, of course, in the ordinary course of events be sent to each and every shareholder. It seems to me ridiculous to suggest then that qua an English investor a secret commission was intended to be paid.

In this connection it must be borne in mind that Mr. Cathill, a representative of, and possibly a partner in, a London firm of stockbrokers had been obliged up to this moment of time to pay his expenses from England, and would naturally be put to considerable expense in the matter of raising the capital required, viz., not only the £100,000 for Fraser's Consolidated Gold Development, Ltd., but the remainder of the capital of this latter company, because it was stipulated (Exhibit 14) that the capital of this company was not to be less than £250,000 nor more than £300,000 in English currency.
I am therefore quite unable to accede to Mr. Hughes' contention that a fraud was intended to be worked, or that the £50,000 was a secret commission.

The evidence indicates that a member of the English Stock Exchange is bound to disclose any moneys paid to him or his nominees which would amount to a deduction from the full purchase price.

Although I do not for one moment agree with Mr. Hughes' contention that the directors, and in particular the Hon. J. C. Willesoeck, were guilty of any fraudulent or shady act, or of any conduct unbecoming to honest gentlemen, I agree with him that it is entirely desirable that where sums of money, which are in reality to be deducted from the purchase price by way of commission or otherwise, are to be paid to a promoter, it is in the interests of the people of this State and of investors generally that the whole transaction should be set out, whenever possible, in one document. The adoption of such a course would be a check on unscrupulous individuals. In saying this I am not for one moment to be taken as suggesting that there is any evidence in any way reflecting upon the honour of Mr. Cuthill.

The recital in one of the documents to which I have referred (Exhibit 15) that the Yellow­
dine Gold Options, No Liability, had disposed of its mines to Fraser's United Gold Mines is erroneous, and Yellowdine Gold Options, No Liability, still retains the Three Boys and Messiah mines. The option given by Exhibit 14 was never exercised.

I find as a fact that these mines are still being worked and that the machinery, plant, etc., owned by the company far exceeds any debts which may be due to creditors.

I also find that the de Bernales mine at Yellowdine is on a producing basis.

I have to report that, after the closest scrutiny of the evidence given, I am of the opinion, and so find, that this grave charge against the Premier of this State, and against his co-directors, is wholly unfounded.

As to Charge No. 1 (b), "As Minister for Justice stopped Crosthwaite's trial because he was a wealthy squatter. This is the man who puts justice on the auction block for sale."

That I might understand the charge, I requested Mr. Hughes to open the material facts relative to the same as briefly and as shortly as he could.

Mr. Hughes briefly explained that one, Henry Crosthwaite, a pastoralist, had on a complaint duly laid in the Court of Petty Sessions at Carnarvon, in this State, been committed in December, 1833, to stand his trial on a charge of attempting to commit assault occasioning grievous bodily harm, and that Crosthwaite was afterwards released on bail.

It was explained by Mr. Hughes that Crosthwaite was committed to stand his trial at Carnarvon, but before an indictment was filed, the Solicitor General filed, pursuant to "The Grand Jury Abolition Act 47, Victoria No. 6," in the Supreme Court what virtually amounted to a No True Bill. That in other words, this gentleman intimated that the charges upon which Crosthwaite was committed would not be proceeded with. That prior to this notification by the Solicitor General on the application of Crosthwaite the venue of the trial was by the order of His Honour Mr. Justice Dwyer, changed from Carnarvon to Perth.

Mr. Hughes then went on to state that some twelve months later Crosthwaite was, on the complaint of a private citizen, charged in the Court of Petty Sessions at Carnarvon with the crime of perjury, and, being duly convicted, was sentenced to twelve months with hard labour. That Crosthwaite was permitted to travel in an expensive and well appointed motor car from Carnarvon to the jail at Fremantle. That after Crosthwaite had served about half his sentence the balance of such sentence was remitted by the Governor in Council. That, although he, Mr. Hughes, did not suggest that actual moneys in the shape of a bribe had been paid to the Hon. J. C. Willesoeck as the price of not proceeding with the charge of attempting to commit assault occasioning grievous bodily harm, nevertheless, he and his party had received such favours and such financial support in the past from one John Wren, a well known race­
horse owner and an associate of Crosthwaite, that he, the Hon. J. C. Willesoeck, being so indebted as aforesaid, improperly failed to bring Crosthwaite to the bar of Justice.

I pointed out to Mr. Hughes that the events which had happened twelve months after the alleged stoppage of Crosthwaite's trial could not, in my opinion, throw even a reflected light on events which had happened in the preceding twelve months. I further pointed out that I had no command from His Excellency to inquire into the matters relative to the perjury charge or the remission of the sentence imposed upon Crosthwaite for the crime in question. That, according to my view of the law, the exercise of the Royal Prerogative was a matter for His Excellency and his advisers. I further informed Mr. Hughes, whilst reserving the point for further consideration, that I would feel bound to refuse evidence when and if tendered with respect to the perjury charge and Crosthwaite's release.

Mr. Hughes then stated that, as the inquiry in this respect was to be so limited, he felt he would prejudge his position in his own eyes and in that of the public were he to take any further part on the hearing of this charge.

Mr. Hughes, having defined his attitude clearly, remained at my request during the investigation of the matters in question, but took no part in the proceedings.

In view of the fact that an accused person in the Empire is not called upon to answer any charge unless and until a prima facie case has been made against him, it was in my power to report that the charge had not been substantiated. However, in view of the gravity of the charge launched in this respect by Mr. Hughes against the Hon. J. C. Will­
coek, I considered that I would be discharging my duty to the community by continuing with the proceedings and hearing the evidence which might be forthcoming.

Mr. Wolff, K.C., Crown Solicitor, who appeared for the Crown Law Department then, at my invitation, laid before me certain documentary evidence and called Mr. C. B. Gibson, Crown Prosector, and later Mr. J. L. Walker, K.C., Solicitor General.
From the documents, and from the evidence, I find the following facts:

(1) Crosthwaite was duly committed for trial at Carnarvon in December, 1933, on a charge which was tantamount to one of "attempting to commit an assault occasioning grievous bodily harm."

(2) That before an indictment was filed His Honour, Mr. Justice Dayner, ordered a change of venue from Carnarvon to Perth.

(3) That in or about the month of February, 1934, Mr. Gibson, in the course of his duty as Crown Prosecutor, read and considered the depositions taken before the justices at Carnarvon.

(3a) These depositions were accompanied by a recommendation, in writing, as follows:

"Police v. Crosthwaite, Charge 55/1933.

Carnarvon Police Court.

We, the Justices of the Peace, who have heard this case, in view of the unsatisfactory evidence for the defence and in view of the fact that the whole of the evidence for the prosecution conclusively shows that a shot was fired, consider that there is a charge for the defendant to answer.

We wish to recommend:

(1) That a minor charge be preferred against the defendant at the Court of Session.

(2) In the interests of justice the case be not heard at Carnarvon and would suggest Geraldton.

G. F. Egan, J.P.

Chas. A. F. Cottrell, J.P."

1/12/33.

(4) That Mr. Gibson came to the conclusion, a conclusion which I find was fairly open to him, that it was extremely unlikely that the serious charge upon which Crosthwaite stood committed could possibly be sustained.

(5) That he (Mr. Gibson) consulted with the Solicitor General, who agreed with his (Mr. Gibson's) views.

(6) That according to the practice prevailing in this State the question of No True Bill was by Mr. Gibson referred to the Hon. J. C. Wilcock as Minister for Justice.

(7) That the Hon. J. C. Wilcock discussed the matter with Mr. Gibson, and whilst agreeing with Mr. Gibson's views, requested Mr. Gibson to furnish him with a memorandum touching the matter.

(8) That on the 2nd day of March, 1934, Mr. Gibson accordingly addressed a somewhat lengthy memorandum to the Hon. Minister for Justice, setting out his views as to why the serious criminal charge against Crosthwaite should not be proceeded with. The concluding paragraph of the memorandum is as follows:

"Seeing that it is impossible to carry on with the major charge, will you please instruct me as to whether I am to continue with the charge of assault in the Supreme Court at Perth. It may be that you desire the charge of assault to be laid and dealt with in the Police Court at Carnarvon. But I should be glad to have your instructions."

The memorandum was signed C. B. Gibson, Crown Prosecutor.

(9) That the Hon. J. C. Wilcock minuted the memorandum at the foot thereof in his own handwriting as follows:

"The charge should be dealt with in the Local Court, Carnarvon."

(9a) Above the word "local," as it appeared in this memorandum, Mr. Gibson wrote the word "police," thereby indicating that he understood the Minister's direction to be that the charge should be dealt with in the police court at Carnarvon.

The charge mentioned in the memorandum related to a charge of common assault.

Crosthwaite having obtained bail immediately after the order for his committal, there was no necessity to take steps for his release from prison.

(10) That Mr. Gibson was, in the month of March, 1934, heavily engaged in the Criminal Court, having some 50 or 60 charges to deal with.

(11) That Mr. Gibson was under the impression that he verbally informed Sergeant Page, the police officer in charge of the police district in which the Petty Sessions district of Carnarvon is situated, of the Minister's decision, and requested him to take the necessary steps to bring Crosthwaite before the justices in petty sessions at Carnarvon on a charge of "common assault."

(12) That Crosthwaite was never brought before the justices on this charge.

(13) That the Crown Law Department, Perth, did not become aware that the charge of "common assault" against Crosthwaite had not been instituted or proceeded with until on or about 1st. September, 1934, when the Hon. C. F. Baxter, M.L.C., gave notice of his intention to move as follows:

"That all papers having reference to the charge against Heavy Crosthwaite, who was listed for trial at the last March sessions of the Criminal Court, including copies of the magistrates' notes taken at Carnarvon when Crosthwaite was committed, be laid on the table of the House."

I pause here to say that I asked Mr. Gibson when he ascertained that a complaint for "common assault" had not been laid in the Court of Petty Sessions, why he did not immediately cause the same to be laid. Mr. Gibson then furnished an answer, which I believe to be in accordance with the law, viz., "That the complaint for 'common assault' before a magistrate must necessarily be laid within six months of the time of the act complained of."

I then drew his attention to the provisions of the Criminal Code which enabled a Crown Prosecutor to present an indictment for "common assault" in the Supreme Court, where the offence may be punished with twelve months' imprisonment.

Mr. Gibson explained that he considered that to present an indictment for "common assault" in the Supreme Court so long after the act committed might savour of procrastination, but that the main reason which influenced him in not presenting such an indictment was as follows:—The Crown Law authorities were at this time considering whether a charge of perjury against Crosthwaite would or would not be likely to succeed. It had been suggested to the department that Crosthwaite had com-
mitted perjury in a Local Court. A complaint for perjury in this respect was in fact laid by a private individual. The Crown Law authorities arrived at the conclusion that the complaint was justified.

The department, of which the Hon. J. C. Willcock was the head, adopted the somewhat unusual course of sending Mr. Gibson to Carnarvon to conduct the perjury proceedings before the justices at Carnarvon. Crowthise was duly committed for trial. Early in the year 1935 Mr. Gibson presented an indictment before the Court of Quarter Sessions at Carnarvon against Crowthise for perjury. Crowthise was duly convicted of perjury and sentenced to twelve months' imprisonment. He seems to me to have been presented with the full rigour of the law.

Mr. Gibson stated that if an indictment for "common assault" had to be presented, the first opportunity should be at the Court of General Sessions to which I have just referred. He stated that once the Crown has obtained a conviction for a serious offence it is not customary to proceed upon a minor but independent charge. He therefore did not present an indictment for "assault."

Having had many years' experience in the Criminal Courts in Queensland, I am able to state definitely that this course is frequently adopted by Crown Prosecutors in Queensland. I see no reason, therefore, why I should not accept Mr. Gibson's evidence in this respect. Whilst he adopted a somewhat loose course of procedure, according to his own version, in intimating verbally to Sergeant Page that the complaint for "common assault" was to be laid against Crowthise in the Court of Petty Sessions at Carnarvon, I do not think that the course of justice has, in the result, been in any way impaired. I accept Mr. Gibson's testimony as that of an honest man, and I consider that he was a witness of truth. It is to be presumed not that the Minister for Justice is not a professional gentleman. It therefore comes as no surprise that he adopted the advice tendered to him by Mr. Gibson, with which advice I find the Solicitor-General agreed.

I find that there is not a little of evidence to support this gross charge against the Hon. J. C. Willcock. I therefore find that the Hon. J. C. Willcock is not guilty of the grave acts alleged against him.

Since writing the Report, but before the final revision thereof, the Commissioner of Police has handed to my secretary a telegram and letter from Sergeant Page of Carnarvon, in which the minister denies that he ever received instructions from Mr. Gibson to institute proceedings against Crowthise for "common assault."

That there was a conversation with the Crown Prosecutor on the subject is clear from the sergeant's own communication. The difference between the accounts of that conversation is as follows:—

The sergeant states that Mr. Gibson said that the case would not be proceeded with in the Criminal Court, but may be sent back to Carnarvon for hearing, or there may be nothing more about it; whilst Mr. Gibson on the contrary, aware, in effect, that he verbally instructed the sergeant to lay a complaint for "common assault" at Carnarvon.

It seems to me, then, that there is no honest difference between the Crown Prosecutor and the Sergeant of Police in this respect, but supposing the sergeant to be correct and Mr. Gibson to be honestly mistaken, I do not see how the honour of the Premier can possibly be affected. I therefore consider it quite unnecessary to call Sergeant Page to give evidence at this late stage.

My finding, therefore, on the issue, stands.

As to charge No. 1 (c) and (d)—(c) The share-holders of the "Westralian Worker" were defrauded of a controlling ownership by an organisation of five men, of which the present Premier is the leader. (d) The Labour Efforts Association got registration only because the present Premier was prepared to violate the traditions of the Minister for Justice and grant an improper certificate. The "Worker" belongs to five men who obtained ownership by fraud.

At this stage Mr. Hughes, who had withdrawn from the hearing relating to Crowthise's trial, once more appeared to support these charges.

After the hearing of these charges had proceeded some little way, Mr. W. H. Dunphy, barrister and solicitor of the firm of Messrs. Dwyer, Durack & Dunphy, obtained leave to appear on behalf of the People's Printing and Publishing Company of Western Australia Ltd., notwithstanding Mr. Hughes' objection to his appearance.

Mr. Hughes first referred me to an Act of Parliament of this State (the Associations Incorporation Act, 1895). By Section 2 of this Act the word "Association" is defined as follows:—

"The word 'Association' shall include churches, chapels, and all religious bodies, schools, hospitals, and all benevolent and charitable institutions, mechanics' institutes, and all associations for the purpose of promoting and encouraging literature, science, and art, and all other institutions and associations formed, or to be formed, for promoting the like objects, and any other association, institution, or body which the Attorney General certifies as being one to which the facilities given by this Act ought to be extended: Provided that this Act shall not apply to associations for the purpose of trading or securing pecuniary profit to the members from the transactions thereof."

This Act, though not passed until 1895, is on somewhat similar lines to the Religious Educational and Charitable Institutions Act, 1861, passed by the Parliament of Queensland. Its object is to incorporate voluntary associations and to enable them to have perpetual succession. By the general scheme of the Act property held by a voluntary association before incorporation passes without conveyance to the incorporated body, but in the eyes of the law the incorporated body is a separate entity to the voluntary association existing before incorporation.

On my construction of the Act the property of the incorporated body is to be held subject to any special trust for the general objects of the incorporated body.

Mr. Hughes' first contention, as I understand it, is somewhat as follows:—There was incorporated under this Act on the 26th day of August, 1924, a voluntary association called Western Australian Labour Efforts Association. With respect to that voluntary association, the Hon. J. C. Willcock, Minister for Justice, had on the 18th day of June, 1924, given the following certificate:—

"I, John Collins Wilcock, Minister for Justice in Western Australia, acting under the provisions of the Attorney General (vacancy in office),"
Act, 1922 (No. 24 of 1922), hereby certify that the Western Australian Labour Association is an institution to which facilities given by the Associations Incorporation Act, 1883, ought to be extended.22

Mr. Hughes contended that upon the true construction of the definition of the word "association" in the Associations Incorporation Act, 1883, which definition is above set out, the Attorney General had no power to grant such certificate, and was fraudulent and dishonest in so doing. Further, that upon the true construction of the said Act, and in particular upon the true construction of the words "any other association, institution or body which the Attorney General certifies as being one to which facilities given by this Act ought to be extended," the only voluntary associations with respect to which the Attorney General could give such a certificate were bodies of a kindred nature to those mentioned in the earlier part of the section, i.e., "beneficent and charitable institutions," etc. In other words, Mr. Hughes contended that the words "any other association, institution or body which the Attorney General certifies as being one to which facilities given by this Act ought to be extended" can, to use a legal expression, only be extended to bodies "ejusdem generis" to those mentioned in the earlier part of the section.

After giving Mr. Hughes' able argument in this respect the fullest consideration, I am unable to accept the same. Upon reflection, I consider that the Legislature, by giving the Attorney General power to certify as to other bodies expressly intended that bodies in no way answering to "churches, chapels," etc., might, on the certification of the Attorney General and otherwise complying with the Act, obtain the advantages of incorporation. There is, therefore, no necessity for me to consider the further contention put forward by Mr. Hughes that "that which one may not do directly, may not be done indirectly."

As the evidence in the case developed, it appeared that a certain piece of reclaimed land situate in close vicinity to William Street had been leased by The State Gardens Board, appointed under the provisions of the Parks and Reserves Act, 1881 (Exhibit 41), to one Adrian Martin. The period of the term was shortly described as five years from the 1st day of October, 1921, less certain periods therein mentioned. The rental for the first six months was to be a minimum of £10 per week, and during the second period of occupation the rental was to be as arranged, but not less than £12 per week, whilst for the last three successive periods of occupation the rental was to be at such increased rate as might be decided by the Board. It was further provided by the lease, Clauses 11 and 12, as follows:—11, "All amusements, entertainments, sports or recreation games and Sunday entertainments in particular should be subject to approval." 12, "No meetings of a political, social, religious or industrial nature shall be held upon the carnival reserve," meaning thereby the land so leased as aforesaid, "without approval." This land was subsequently sub-let at a rental at the rate of £200 per week, and carnivals were held thereon from time to time.

On the 26th day of February, 1915, a company known as the People's Printing & Publishing Company of Western Australia, Ltd., was duly incorporated in this State.

The company had amongst its objects the following:—"To establish and print in the State of Western Australia a daily or other newspaper, and to carry on and conduct the business thereof." This company then conducted a weekly newspaper known as the "Western Worker." This company also carried on the business of jobbing printers. Its affairs could hardly be described as entirely flourishing at any stage of its existence, at least so far as concerns the payment of dividends. In 1923 the Hon. J. C. Willcock was one of the five directors of this company, as also was the case in 1924.

It appears that towards the latter end of 1923 a carnival was held. This carnival was promoted and organised by Mr. David Watson, the secretary of the company. Mr. Watson stated in evidence that he obtained a permit from Mr. Shapcott, the Under Secretary to the Premier's Department, and also from the Office of the Commissioner of Police to hold this carnival. Whilst the company made every effort to carry on the business of jobbing printers, its affairs could hardly be described as entirely flourishing at any stage of its existence, at least so far as concerns the payment of dividends. In 1923 the Hon. J. C. Willcock was one of the five directors of this company, as also was the case in 1924.

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On the 27th day of May, 1924, a meeting was called for the purpose of forming an association to be known as the Western Australian Labour Efforts Association.

This meeting was held at the "Worker" office, Perth. According to the minutes of this meeting it was duly moved, seconded, and carried "That an association be formed, and the name of the association be the Western Australian Labour Efforts Association, to consist of the directors for the time being of the People's Printing and Publishing Company of Western Australia, and the secretary for the time being of the said company." The rules of the association were then submitted to and approved of by the meeting; these rules as amended by a further meeting held on the 16th day of June, 1924, at "Holman House," Stirling Street, Perth, appear in Exhibit 35, being the minute book of the association in question.

There is no necessity for me to deal at length with the rules. The main object, if I may say so, of this association was as follows:—"To organise, conduct, and manage public and private efforts by means of public or private appeals to the public generally, or associations, trade unions, or other bodies or societies, whether incorporated or not, for the purpose of raising and obtaining funds to be used in furthering the objects of the association." The rules were in due course submitted to the Crown Law Department, and the original rules as submitted were altered in two main respects. The rules as originally framed had provided for the conducting of art unions. These words, the Crown Law authorities insisted, must be excluded. The authorities also insisted that the following clause must find a place in the rules of the association:—"No member shall on any pretence or in any manner receive any profit, salary, or emolument from the funds or transactions of the club." This amendment forms part of Rule 3 of the association, "Any member retiring
from the association or ceasing to be a member thereof for any cause whatsoever shall have no right, title, or interest in or to any of the property of the association." In the net result then, Rule 3, as now framed, prevents a member of the association when retiring or ceasing to be a member from having any personal interest in any property of the association, and further prevents any member of the association receiving any profit, salary, or emolument from the association whilst still a member.

The objects of the association are stated in its rules, but Mr. Watson swung, in substance, that the real object of incorporating the body was to have an institution to run carnivals and to receive any profits accruing therefrom.

Mr. Hughes’ contention in this connection was, that although the body had been a voluntary association, it had been incorporated under the name of Western Australian Labour Efforts Association, and had only been incorporated through the fraud of the Hon. J. C. Willock and his co-directors. In other words, he suggested that these carnivals are forbidden by the law as the greater part of the profit, if not all, came from gambling.

It is necessary now to consider the attitude taken up by successive Governments in this State as to the administration of the gambling laws. In substance, it may be stated that gambling is forbidden by the Criminal Code in force in this State.

On the 4th day of November, 1915, the Hon. J. M. Drew, the then Colonial Secretary, signed a minute which was, and was intended to be, an instruction to the then Commissioner of Police as follows:

"With reference to art unions and other games of chance, these, although illegal, as you are aware, are being held in aid of charitable, patriotic and other worthy objects, with the approval and support of the public and even some of the most respectable persons in the community. If we enforce the strict letter of the law, we shall suppress all these devices for raising money. To do that would mean the closing up of many channels of benevolence and departing from the rule followed by all previous Governments. I think, however, this movement should be regulated, and I feel you will be doing all that is required if you take no action except in cases in which the object, or part of the object, is individual gain or profit, and in which the funds are not controlled by responsible persons who may be reasonably relied upon to see that the money raised goes to the benefit of the object. In applying this test common sense must be used in each case."

I find some difficulty in arriving at the true construction of this minute. In the opening portions of the minute reference is made to art unions and other games of chance, which although illegal, were being held in aid of charitable, patriotic and other worthy objects with the approval and support of the public.

It is then stated that to enforce the strict letter of the law would be to suppress these devices for raising money, and the result would be the closing up of many channels of benevolence and departing from the rule followed by all previous Governments. Down to this point the minute is clear, but the question arises whether the then Colonial Secretary intended to direct the Police Commissioner that no action should be taken with regard to persons generally taking part in these illegal games of chance, provided there was no individual gain or profit to the person so taking part, and provided further, the funds were controlled by responsible persons, or whether the Hon. Minister intended that illegal games of chance were only to be played for the benefit of charitable, patriotic and other worthy objects, provided the safeguards just mentioned existed. In view, however, of the existence of the words "other worthy objects," it seems to me to be unnecessary to choose between these two constructions, for although I am prepared to hold that "other worthy objects" must be something in the nature of charitable or patriotic bodies, nevertheless, a wide discretion by the minute was left, and was intended to be left, by the writer thereof to the Commissioner of Police. The words also "departing from the rule followed by all previous Governments." According to my reading of the evidence of Mr. Cecil Treadgold, Secretary of the Police Department, and who has filled that office since January, 1919, the minute of the Hon. J. M. Drew was adhered to and acted upon by the Commissioner of Police. Moreover, I am strongly inclined to think, from Treadgold’s evidence, that the Commissioner of Police construed the minute in the wider sense to which I have referred, viz., that there was to be no interference as long as there was no individual gain, if he were of the opinion that the funds were controlled by responsible persons.

At page 478 of the evidence (4103), it appears that the following question was asked: "What was the determining factor on which you allowed it?"

Answer: "When reputable persons were considering running a carnival or art union the Commissioner of Police took it that it was not his business to go and inquire too closely into what was being done. He had no power."

When the Hon. Frank T. Brown was Colonial Secretary, the Commissioner of Police on the 8th day of April, 1920, wrote to the then Minister for Police as to a minute that had been forwarded by Mr. Brown regarding a deputation that had waited upon him with reference to art unions and raffles. The test of the Commissioner’s letter is to be found on pages 480, 481 and 482 of the evidence. In this letter the Commissioner said, inter alia, after referring to the minute and instructions of the Hon. J. M. Drew, of the 4th November, 1915, already referred to, "These instructions have been complied with as far as possible ever since." From the terms of this letter it is fairly apparent to me that gambling to an increasing extent was taking place. The concluding paragraph of the Commissioner’s letter (8th April, 1920) read as follows:

"However, I should like to have definite instructions from the Government as to whether these sweeps for charitable purposes are to be permitted to continue. Whilst on this matter I should be glad also to have a decision generally in connection with the lotteries, art unions, spinning jesmies, etc., as the practice of permitting the same has become too frequent altogether and something should be done to regulate, if not prohibit, them."

It appears that the late Hon. John Scaddan, who was then Minister for Police, sent a minute to the Colonial Secretary and wrote: "The matter might be discussed by Cabinet and the Commissioner of Police advised regarding the policy of the Government."

The Hon. H. P. Colebatch then made the following minute: "Cabinet approves of action being taken to suppress spinning jesmies and kindred instruments." The minute was dated 15th April, 1920.

At this stage of the evidence (see page 482, question 4120), I asked the following question: "I presume leaving lotteries and sweeps alone?" The answer was, "Yes." It next appears that in January, 1924, the then Commissioner of Police brought the matter under the notice of the Minister for Police,
the late Hon. John Scaddan, who sent the papers to
the Premier with a minute reading: "In fairness to
the Commissioner of Police and myself as Minister,
I think we should put this matter on a definite basis."
Then followed a minute by the Commissioner of
Police, submitted for instructions, "Seeing that
Messrs. Clydesdale and Main are permitted to do
the same on behalf of the Ugly Men's Association,
I cannot see my way to recommend the prosecution
of Hickey, Marshall and Lee. I attach a copy of
Mr. Drew's minute." This, I take it, was the minute
of the 10th November, 1913, above set out. The
Commissioner then went to say as follows:—

"I submit the whole question of gambling should be
considered by Parliament, for if the majority of people
desire to gamble it would be much better to regulate
such by Act of Parliament than to carry on as we are
going, for there can be no doubt that successive Govern-
ments have permitted the gaming laws to become a dead
detter, and considering the recent vote in the Legislative
Assembly, it would appear that members of that House
would be in favour of amending the law."

"Then followed a change of Government. The Com-
misioner's letter was later dealt with by the Hon.
J. Scaddan's successor, namely the Hon. J. C. Will-
cock.

On the 1st day of May, 1924, the Hon. J. C. Will-
cock wrote to the Commissioner of Police as follows:

"In view of the fact that the minute of Mr. Drew
has been ignored by some extent since being placed on
the file and the principles laid down by Mr. Drew when
Colonel Secretary have been in practical use by the
department during the last year or two, I think, as a
matter of policy, we should restore Mr. Drew's minute
as the policy to be carried out by the department.";

As appears from question 4131 (see page 484 of
evidence), the restoration of the 1915 position per-
mitted spinning jennies and other like devices, that
is to a certain point, provided other conditions were
complied with.

The policy, then, of successive Governments with
respect to the suppression of gambling seems to me
to have been clearly defined by the foregoing minutes
and letters. I will return to this matter at a later
stage.

It is now necessary to trace the subsequent carnivals
partly promoted by Mr. David Watson in the
years 1924 to 1928.

It is clear, I think, from the evidence, that an
arrangement was come to in 1924 by Mr. Watson
as representing Western Australian Labour Efforts
Association with the representatives of Trades Hall
incorporated with respect to future carnivals. This
arrangement apparently was that both bodies would
recooperate, the latter taking 60 per cent. of the net
proceeds and the former the remaining 40 per cent.
thereof.

Carnivals were from time to time held, and seemed
to me, in point of fact, to have been managed largely
by Mr. Watson, and resulted in large profits. I
gathered that these carnivals were regarded as
amusement and entertainment centres and were
largely patronised by people of all shades of politi-
cal opinion. It was stated that the Hon. J. C. Will-
cock and other members of Parliament attended
these carnivals and that the former was well aware
of the nature of the entertainments. I find as a fact
that gambling, which was against the law, was car-
ried on.

Going back a moment to the profits, viz.,
£3,000, which resulted, as already set out, from the
1923 carnival, it is necessary to state that the same
were the property of the People's Printing and
Publishing Company of Western Australia, Ltd.
According to the minute book of the Western Aus-
tralian Labour Efforts Association, at the meeting
held at Perth on the 27th day of May, 1924, already
advertised for, it was moved, seconded and carried
unanimously "That we purchase 3,000 fully paid
shares in the People's Printing and Publishing Com-
pany of Western Australia, Ltd., from the proceeds
of the White City Christmas carnival." These shares
were applied for and issued, and are now held by
the association.

To say the least of it, the carrying of the resolution
to dispose of funds, the property of the People's
Printing and Publishing Company of Western
Australia, Ltd., and particularly at a meeting of the
association, was highly irregular. No doubt the
members present acted in good faith, but in the net
result the company furnished the money with which
to purchase its own shares and issued them to
another entity. In other words, the association paid
nothing for these shares. If instead of issuing the
shares to the association the company had issued
them to private individuals, these individuals would,
on the liquidation of the company, have taken the
assets which will remain after the debts and liabilities have
been paid and the costs of winding up provided for,
have not, in my view, been diminished so far as concerns the other shareholders.

I think it is clear law that no shareholder, unless
the articles of association otherwise provide, can
enjoy any part of the surplus assets unless and
until he has paid up either the face value of the
shares or an equal amount to that paid by other
shareholders. I am aware that there is provision in
the Act in force in this State to this effect, but it
does not seem to me to bear this situation. But the
position would be quite otherwise if the company
were unable, without calls being made, to pay its
debts and liabilities in full on being wound up; in
which case, of course, the association would be liable
to pay any calls made.

In addition to these 3,000 shares so issued as afoe-
said, in the succeeding years the shares which were
adapted for and duly admitted by the company num-
bered 7,081. The funds for the purchase of these
shares had resulted from the carnivals already re-
ferred to. Therefore the association, holds, to-day
10,081 shares in the People's Printing and Publish-
ing Company of Western Australia, Ltd.

Whilst the association was an unincorporated vol-
muntary association, and since its incorporation, the
Hon. J. C. Wilcock has been closely concerned in
its activities. He stated he was well aware at all
material times that the association would carry on
and be associated with carnivals, but stated that he
did not consider at the time of its incorporation that
that would be the sole activity of the body in ques-
tion. He stated that an organizing committee had
been appointed to carry out the objects of the asso-
ciation and that he was in no wise limited as to the
methods he adopted.

It is said then that the Hon. J. C. Wilcock, with
the knowledge that he had, was fraudulent and dis-
honest in allowing the incorporation of this associa-
tion, under all the circumstances of the case.
This is strong language, and it is necessary to weigh the statement very carefully and consider the situations in which it may be applied. It is said that it was the Hon. J. C. Willecock's duty as Minister for Justice to enforce the gambling laws of this State with the full rigour of the law. No doubt, strictly speaking, this is a correct contention, but to brand a gentleman as fraudulent and dishonest who followed the settled policy of successive Governments in this State for a period of some ten years, a policy arrived at after mature consideration, seems to me to be quite another matter.

Again, I personally consider that it is improper for a Government to direct the Commissioner of Police not to enforce the gambling laws in force in this State.

During the Stuart period in the Motherland it was the Sovereign who claimed the power of dispensing and suspending the laws passed by the will of Parliament. That claim was effectively curbed in 1868 by the Bill of Rights (1 William and Mary, Section 2, C2). That portion of the Act to which I refer reads as follows:

"That the pretended power of suspending of laws, or the execution of laws by Regal authority, without the consent of Parliament, is illegal."

"That the pretended power of dispensing with laws or the execution of laws by Regal authority, as it hath been assumed and exercised of late, is illegal."

To-day a direction by Cabinet that a particular law is not to be enforced is in reality a claim that such Cabinet has the power of either dispensing or suspending the law. Such a claim must of necessity strike at the root of all self government. But if any Government of the day pursues a policy identical to that which has been adopted by successive Governments for many years as one suitable to the needs of the people, such conduct on the part of the Cabinet could hardly be described, I imagine, as fraudulent. I am of the opinion that the words "other worthy objects," as used in Mr. Drew's minute, are wide enough to cover carnivals held for the purpose of raising funds for Trades Hall, Incorporated, and for the purpose of raising funds for the benefit of any political cause or party.

I have been dealing with the formation of the association, the acquisition of shares in the company and the nature of carnivals generally, and the policy of successive Governments as to gambling.

It is now right that I should deal with the suggestion that "the shareholders of the 'Westalian Worker' were defrauded of a controlling ownership by an organisation of five men, of which the present Premier is the leader."

To begin with, there are no shareholders in the "Westalian Worker." The "Westalian Worker" is owned and controlled by the People's Printing and Publishing Company of Western Australia, Ltd.

The nominal capital of this company is £100,000, divided into 100,000 shares of each 1. Each of the first issue of shares was to number 50,000, the remaining 50,000 were to be retained by the company, to be issued or sold at such times and in such numbers as might be deemed advisable in accordance with the resolution carried at a meeting of shareholders. The terms on which the shares might be allotted were 2s. 6d. on application and 2s. 6d. on allotment. The directors, by Clause 5 of the Memorandum, had the right to refuse any application for shares or transfers. The full amount of £1 per share might be paid on application.

It was provided by the articles of association that the directors of the company should be six, elected by ballot of shareholders, and three were to retire at the end of each year, and the retiring three were eligible for re-election. By Article 82 it was provided that the management of the business of the company should be vested in the directors.

As to voting.—The rights of members as to voting were originally set out in Article 43, but this article was at a later stage duly deleted, and the following article substituted therefor:—43. "On a show of hands whether at a general or other meeting of shareholders of the company, every member present in person shall have one vote and upon a poll every member present in person or by proxy shall have one vote for every 50 shares or part thereof."

Dividends.—By Article 91 the profits of the company were made devisable among the members in proportion to the capital paid up on the shares held by them respectively, but no dividends might be declared except at a general meeting upon the affirmative vote of members holding 30 per cent. of the issued capital of the company.

A perusal of this memorandum and articles of association satisfy me that there is nothing unusual about the same.

I notice that there is an article relating to contracts by directors with the company (see Article 62) which somewhat resembles, to say the least of it, the power in the articles of association of the Yellowine Gold Options, No Liability, which Mr. Hughes so strenuously objected to, though the articles of the People's Printing & Publishing Company of Western Australia, Ltd., were apparently prepared by a different firm of solicitors.

As the shares issued to Western Australian Labour Efforts Association, Incorporated, amount to the number of 10,681, the voting power of the association would be 214.

Twenty-nine thousand shares have been issued by this company in all. There are a total number of 3,515 shareholders. Of these, 3,140 each hold less than 50 shares.

Eleven organisations hold 22,795 shares. Of the 11 organisations holding shares, ten organisations hold 12,114 shares, thus these ten organisations are entitled to 243 votes.

The 3,140 shareholders hold a total of 7,000 shares. These 3,140 shareholders are entitled, on my reading of the articles, and in fact this was not disputed by Mr. Hughes, to 3,140 votes, that is to a vote each.

The association is entitled to 214 votes and the ten organisations to 243 votes.

It is true that the evidence discloses that, of the 3,140 shareholders, some are dead whilst others live in such remote parts of the State as to preclude their attendance at annual meetings. Nevertheless, the giving of proxies is provided for by the articles. Thus, those shareholders living in remote parts of the State may have representation.

It is also true that the 214 votes which attach to the 19,681 shares held by the association may be used as a block vote for the directors. The evidence discloses that the Australian Workers' Union holds 4,448 shares, thus holding a voting strength of 89. The combination, therefore, of the 214 plus 89 would give a voting strength of 303 out of a total number of 3,597 votes.
At a thinly attended meeting of the company, the combined vote would be a strong one. Nevertheless, I find it impossible to hold that the shareholders of the company were deprived of a controlling ownership, far less defrauded of a controlling ownership by an organisation of five men of which the present Premier is the leader.

To begin with, the Premier is not the leader of the association, and never was, or at least so the evidence discloses. The late Mr. Holman and the late Mr. Watts were respectively the leaders, meaning, I take it by that expression, the chairman or manager of the association.

The evidence discloses that there was never any friction between the shareholders of the company prior to the issue of the 10,681 shares, nor has there been any use made of the 214 votes attaching to these shares.

To my mind it is useless to talk of fraud in this respect. I am quite unable to see that any fraud was practised by the present Premier as Minister for Justice or by those associated with him in obtaining registration of the association. It is quite contrary to the truth to say that the “Worker” in any sense belongs to five men who obtained ownership by fraud. The “Worker” does not belong to five men, even using the word “belongs” as meaning that five men have the control of the “Worker.”

Mr. Hughes made a strong point that more than a hundred voluntary workers at the carnival had not any shares issued to them in return for services given. To suggest that the present Premier and his associates in the association had shares issued to them is not correct. They were issued to the association, and beyond the matter of vote the individual corporators can receive no beneficial interest in the funds of the association, nor, so far as I can see, have these hundred or more voluntary workers ever raised their voices in protest at the shares being issued to the association. On the contrary, I draw inference from the Premier’s evidence that these workers were entirely satisfied.

It is true that Mrs. Elizabeth Mollers, a widow, residing at Subiaco, and who voluntarily gave generously of her time in support of the Labour cause, feels much aggrieved that she received no individual notice of meetings of the company and that she was unable to trace any issue of shares to an organisation which had raised over £1,000 for the benefit of the Labour cause. It would appear from the evidence of Mr. David Watson, however, that slightly over a 1,000 shares were issued, either to the organisation in question or to its successor in title.

Mr. John Delaney, president of the original body commonly described as the Timber Workers’ Union, feels that he has a grievance against the company, and, I should imagine, against the Hon. J. C. Willcock. In substance, his complaint is that although his organisation held a large number of shares in the company and although the organisation owes debts, including the sum of £400 odd to the company itself, he has been quite unable to sell the shares at anything like their face value, and has consequently never tendered a transfer. There, therefore, could not be any evidence of a distinct refusal on the part of the directors to present the transfer. Moreover, the company has a lien by its articles on the shares for its debt.

Mr. Delaney claimed to be, and described himself as, a liquidator of his organisation. For the moment, I assume that it is possible to wind up an organisation such as that to which I have been referring, but no satisfactory evidence was placed before me that this organisation is in process of liquidation by any court or by any voluntary process. The organisation is, in point of fact, a de-registered union, that is, de-registered by the Arbitration Court.

Much as I sympathise, therefore, with Mr. Delaney in his present trouble, I am quite unable to see how his evidence in any way affects the issue before me.

It was sworn by Mr. Watson that a declaration of trust had been made of the 3,000 shares hereinafter referred to in favour of the People’s Printing and Publishing Company of Western Australia, Ltd., and that such declaration or a reference to the same appeared in the rough minute book of the association. This rough minute book, Mr. Watson swore, had been lost or mislaid. At my request he made a search for the same, but such search was unavailing.

I regard Mr. Watson’s evidence as truthful in this respect. Indeed, I consider Mr. Watson to have been a most conscientious witness throughout the proceedings.

This simply means that this company was the beneficial owner of the 3,000 shares. I have not pursued the question whether a company may be the beneficial owner of its own shares.

To illustrate what I mean—Assuming A, the registered holder of 1,000 shares in the B company, bequeaths his will these shares to this company, it is no part of my duty to say whether this would be or would not be a good bequest, but the making of the declaration of trust indicates the bona fides of the Western Australian Labour Efforts Association and of Mr. Willcock. I am satisfied that Mr. Willcock received personally not the slightest pecuniary benefit for his work and assistance to the association in question. Moreover, if the declaration of trust had never been made the dividends and proceeds of sale of these shares would belong not to Mr. Willcock and those associated with him, but to the association hereinafter referred to.

I conclude by saying that I have carefully considered the whole of the evidence relative to these charges and the whole of the surrounding circumstances, and find that no portion of these charges has been substantiated, and that there was no fraud on the part of the Hon. J. C. Willcock, or any other person in this connection.

As to Charge No. 2 (a) and (b).—(a) The reason why the public life of this State has deteriorated is because the Government have been the puppets of the “West Australian” newspaper, and all criticism of the Government is severely stilled in this leading capitalist’s newspaper. (b) The price of the “West Australian” newspaper was the abandonment by the Government of all the principles for which they ever stood. The shifting of the incidence of taxation from the shoulders of those in the upper-middle class and the higher class on to the
backs of the workers and the lower-middle class is
the price paid for the support of the "West Aus-

tralian" newspaper.

When the matter of this charge was called on Mr.
Hughes intimated that he did not intend to give any
evidence with respect to the same, stating that the
substance of the charge was a matter of common
knowledge.

I deemed it my duty, however, to investigate the
matters involved in this charge as I had been com-
manded so to do by my Commission.

Mr. Herbert James Lambert, editor of the "West
Australian" newspaper for many years past, was
called by Sir Walter James, who appeared in this
matter.

The witness was cross-examined by Mr. Hughes
with my permission. I am of the opinion that the
evidence given by this witness was truthful, and that
no bargain exists between the newspaper in question,
its servants or agents, with the Government of the
day. I find that it is the policy of this newspaper to
counterfeit freely on the measures introduced into Par-
liament, and the administrative Acts of any party
in power. This comment is sometimes favorable
and sometimes unfavourable—this paper having in
mind the general welfare of the people of this State.
I accept Mr. Lambert's evidence that, in his opinion,
there has been no shifting of the incidence of taxation
from the shoulders of those in the upper-middle class
and the higher class on to the backs of the workers
and the lower-middle class.

Whether the public life of this State has deteriorat-
ed is, and of course must always be, a matter of
individual opinion, but I see no reason to differ from
the editor's view that the standard of public life in
this State has been, and still is, uniformly high.

On the whole, therefore, I find that the statements
contained in Charge No. 2 (a) and (b) are, and each
of them is, incorrect and contrary to fact.

As to Charge No. 3.—Mr. Gray went to the
Trades Hall at Perth, and he and his colleague
took, unlawfully, £721 out of the funds of the in-
dustrial unionists of this State to pay for Mr.
Gray’s legal transgressions. Never was money used
more fraudulently. There was a plain misappropri-
ation of funds. That sum of £721, the property of
Western Australian unionists, was misappropriated
by Mr. Gray and his colleagues.

An election was held in this State on the 12th
day of May, 1934, for the filling of vacancies in the
Legislative Council.

On the eve of the election a pamphlet was pub-
lished containing certain defamatory matter of and
concerning Mr. Hughes.

A complaint was laid by Mr. Hughes in the Court
of Petty Sessions at Fremantle with respect to this
publication against Frederick Mann. This complaint
duly came on for hearing at Fremantle in 1934, when
Mann was convicted for a breach of the Electoral Act,
and fined £20 with costs fixed at £10 18s. 5d. A
similar complaint for breach of the Electoral Act in
respect to the same defamatory pamphlet was laid by Mr. Hughes against the Hon. E. H. Gray, M.L.C.
Gray was convicted and fined £20 with costs fixed at £17 2s. In 1934 Mr. Hughes also instituted a civil
action in the Supreme Court of this State against
Mann, Gray, and two other persons, namely, the pub-
lishers of the pamphlet, and by his writ claimed
damages for defamation. The action duly came on
for trial in July, 1934, before a judge and jury, Mr.
Hughes being awarded £100 damages and his costs
of action to be taxed. The judgment was against the
four defendants.

On the 14th day of May, 1934, Mr. Frederick
Mann and the Hon. E. H. Gray, M.L.C., attended a
meeting of the State Executive of the Australian
Labour Party, and according to the evidence of Mr.
Mann, informed such executive that they were in
trouble with respect to the pamphlet hereinafter re-
ferred to. The following resolution, moved by Mr.
Foley and seconded by Mr. Mooney, was then unani-
mously carried by the State Executive:—

"That the executive officers be instructed to safe-
guard the interests of all members concerned in the legal
action taken by T. J. Hughes, and further, that they be
instructed to take any action they may deem necessary."

The words "legal action" here, I think, refers to the
complaint laid or about to be laid in the Court of
Petty Sessions at Fremantle against Mann and Gray.

There was evidence that the State Executive consists
of some 25 to 30 members. A meeting of the State
Executive officers was held on the following day,
15th May, 1934, at which there were present five
members and the secretary, and also Mann and
Gray. After discussion it was resolved on the motion
of Mr. Hegney that the matter be placed in the
hands of Messrs. Dwyer, Duraek and Dunphy
and further, that in the event of a second legal
man being necessary to defend the action in the State
Supreme Court, Sir Walter James be retained.

It is unnecessary for me to detail the various
meetings of the State Executive officers with refer-
ence to payments made out of funds by these officers
or by the State Executive itself. Suffice it to say
that the following legal expenses were paid, repres-
enting costs, fines and damages, payable by Gray
and Mann with respect to the prosecutions and civil
action:—

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1934, Aug. 22nd</td>
<td>100 0 0</td>
</tr>
<tr>
<td>1934, Sept. 29th</td>
<td>68 0 5</td>
</tr>
<tr>
<td>1934, Sept. 29th</td>
<td>255 7 6</td>
</tr>
<tr>
<td>1935, Jan. 3rd</td>
<td>330 10 0</td>
</tr>
</tbody>
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£753 17 11

The item £30 10s. was recommended for payment
by the State Executive officers, and this recom-
mandation was adopted by the State Executive on
the 3rd December, 1934.

Mr. Hughes contended that there was no power
in the State Executive to authorize such payments.
He said that such a payment would be contrary to
public policy and that the money was fraudulently
obtained by Messrs. Gray and Mann. Mr. Hughes
developed this argument.

I have stated above that Mr. Hughes, before the
completion of this charge, withdrew from the hear-
ing.

It will be remembered that Mr. Hughes in his
speech made use of the expression "never was money
used more fraudulently. There was a plain misap-
propriation of funds."

I think that if the sum of £753 17s. 11d. could
lawfully be paid by the State Executive, under the
circumstances of this case, fraud could not be im-
plicated, nor could there be a misappropriation of
funds.
It is necessary, therefore, to consider the following question:—(a) Could the State Executive lawfully pay the moneys in question? If not, did the members of the State Executive honestly believe that they had the power to pay these moneys?

The constitution of the Australian Labour Party (W.A. Branch) as it existed in 1934 must now be briefly examined. One of the objects of the party set out in paragraph 3A reads: "To strengthen and consolidate the Labour organisations throughout the State of Western Australia."

One of the powers of the State Executive is set out in paragraph 7 (1) (5) (D): "The State Executive shall be empowered to promote the interests of the party in electorates where no local organisation exists or where a local organisation is deficient. Paragraph 14 (3 and 4) seems to me to provide for the banking by the general secretary of all moneys received. Provision is made for the preparation of a statement of receipts and expenditure at the close of each year for presentation to the general council. Provision is also made for an auditor's report. The auditor is given full power to examine the books, entries, or other documents of the State Executive and to check the cash balance. It is his duty to present to each annual meeting a written statement certifying to the correctness or otherwise of the statement of receipts and expenditure and balance sheet. Paragraph 15 provides that all private members of the Federal and State Parliamentary Labour Parties shall place themselves at the disposal of the State Executive for organising purposes during recess, but the same paragraph further provides that special amounts raised for organising purposes shall be placed to a special meeting (? fund) by the State Executive.

Paragraph 21 of the constitution reads as follows:—"Should any question arise concerning the meaning of any section of this constitution, the matter shall be decided by the State Executive, whose decision shall be subject only to an appeal to the General Council." A glance at the constitution indicates to my mind the wide powers of management and control given to the State Executive.

I do not find any express power in the constitution authorising the State Executive to pay these moneys.

Had the State Executive any implied power? I confess that this question has given me considerable food for thought. It is in this respect that I should have valued Mr. Hughes' help so greatly.

However, I am indebted to Sir Walter James and to Mr. Keaff for their able assistance on this point.

In England in 1897 the question arose whether a voluntary association composed of nurses, which association published a periodical, could, out of the funds of the association, defray the costs and expenses of the editor of the paper, when the latter was sued for the publication of defamatory matter contained in the periodical. It was said by a strong Court of Appeal as follows:—"Now supposing this was not the case of a corporation, is there anything illegal or immoral or improper in a master defending his servant, or a principal defending his agent in such a case? Absolutely nothing. Can it be said then, that this is such an unbusinesslike proceeding that we ought to draw a sharp distinction and say that although an ordinary individual can do it a corporation cannot do it, even though they stand in the same position towards a person whom they defend as an ordinary individual. That would be equivalent to saying that a corporation cannot do in any ordinary matter of business what everybody else conducting the same kind of business can do." The Court unanimously held that the moneys of the incorporated body could be expended in defraying the costs of its servants, etc.

I am quite aware that the State Executive is not an incorporated body. But what of that? I am also aware that Messrs. Mann and Gray can hardly be described as the servants of the State Executive. Nevertheless this was election time and both apparently were working on the side of Labour. In my view it could never be in the interests of Labour to publish false and defamatory statements, but such a state of affairs could not, I think, affect the right, if any, of the State Executive to pay the moneys in question.

I have come to the conclusion that the State Executive had implied power to pay the sums, which it, in point of fact, paid. But assuming my opinion in this respect is wrong, the matter may be approached from quite a different angle.

On my reading of section 21 of the constitution already referred to, it is the duty of the State Executive to construe the meaning of all sections of the constitution. The members may well have thought that by the payment of these moneys they were strengthening and consolidating Labour organisations throughout the State, or perhaps considered that they were promoting the interests of the party in an electorate where a local organisation was deficient. They may or may not have been quite wrong in this respect, but subject to an appeal to the General Council, and in the absence of fraud, it was for the State Executive and the State Executive alone to determine the matter, and therefore the payment could not be questioned.

But even apart from the foregoing matters, the question arises whether or not the members of the State Executive honestly believed they had the power to pay such moneys.

I paid careful attention to the senior vice-president, Mr. Mooney, when that gentleman gave his evidence, and was very much impressed by his evident sincerity. He stated, in substance, that he and his co-officers honestly believed that they had the right to sanction the payment, and that this was not the first time that the State Executive had applied moneys in a somewhat similar direction.

During the hearing of this charge Mr. Hughes sought to introduce evidence touching, what I may term the genesis of the defamatory matter.

In other words, I drew the inference from the nature of the questions put that, although a complaint against the Hon. A. MeCallum had been dismissed in the Court of Petty Sessions, and such dismissal confirmed on appeal by the Full Court of this State, Mr. Hughes was endeavouring to re-open the matter.

Such a course is contrary to every principle upon which British justice is administered.

Moreover, what has the Hon. A. MeCallum's guilt or innocence to do with the alleged wrongful payment by the State Executive of the legal costs and expenses of Messrs. Gray and Mann?
My refusal, then, to permit Mr. Hughes to pursue this course of action, following other refusals by me to exceed the powers entrusted to me, was the reason advanced by him for his complete withdrawal from the hearing.

I find that the members of the State Executive acted honestly, and at all material times believed that this money could be lawfully paid. I think also that Messrs. Mann and Grey so believed.

Upon the whole, then, I find that there was no misappropriation of funds of the industrial unionists, and further that there was no fraud, but that the money were lawfully paid.

As to Charge No. 4 (a).—He had the Premier of the State in an unfortunate position, in which he could blackmail the Premier into doing anything he wanted. The Premier was in the unfortunate position that he had to leave the State, and when he returned the gun was put at his head by our noble Alex. MeCallum. He was not game to wait and stand the chance of having his seat declared vacant, but he forced the Premier to take certain action because he had the Premier, who had been his colleague for years, at his mercy; so he demanded from the Premier the job, for which he has absolutely no qualifications at all, at £2,000 a year.

Mr. Hughes, at a very early stage of the hearing of this charge, stated that he did not mean when using using the word “blackmail” that any monetary consideration had been paid by the ex-Premier, the Hon. Philip Collier, M.L.A., to the Hon. Alex. MeCallum, but that the Premier, being in a delicate state of health and the Hon. Alex. MeCallum having acted on more than one occasion as Premier, he, the Hon. Alex. MeCallum, was in a position to force his will upon the Hon. Philip Collier.

It is of course apparent to the most casual reader that the expression “the gun was put at his head by our noble Alex. MeCallum” was used figuratively.

The evidence disclosed that the Hon. Alex. MeCallum had been prosecuted in the Court of Petty Sessions at Fremantle for a breach of the Electoral Act in force in this State. That he was alleged to have been unjustly wronged by two other persons, namely the Hon. E. H. Gray, M.L.C., and Mr. F. Mann, Secretary of the Fremantle Trades Hall. The two latter were also prosecuted in the Court of Petty Sessions at Fremantle on a similar charge. The Hon. E. H. Gray, M.L.C., and Mr. F Mann were respectively convicted, whilst the charge against the Hon. Alex. MeCallum was dismissed by the Court of Petty Sessions. Leave to appeal in the case of the Hon. Alex. MeCallum was granted in or about the first week of January, 1935, and notice of appeal was given for the first sitting of the Full Court held at Perth in the month of March, 1935. This appeal was finally dismissed.

Mr. Hughes in his evidence relied strongly upon the fact that the Speaker had claimed privilege for certain shorthand notes with reference to the procedure in the House of Assembly, and had formally objected to their production on the ground of public policy. The objection was sustained by the magistrate. This, Mr. Hughes said, had placed him, as complainant in the proceedings in the Court of Petty Sessions against the Hon. Alex. MeCallum, in a most awkward position. The prosecution was, by consent, adjourned to Perth, when Sir Walter James, K.C., who appeared for the defence, called the defendant as a witness. According to Mr. Hughes, Sir Walter James had stated earlier that he would not be calling evidence. He had of course a perfect right to change his mind, and did so. Under these circumstances it was in the discretion of the magistrate hearing the charge to grant or refuse an adjournment on the ground that Mr. Hughes, who was the complainant in the matter had been taken by surprise. After argument the magistrate refused the adjournment. Mr. Hughes also swore that the refusal of the adjournment placed him in a most awkward position.

A perusal of the grounds of appeal, however, does not disclose—(a) any ground that the magistrate was wrong in refusing to order the production of the shorthand notes, or (b) that he, Mr. Hughes, had been prejudicially affected by the refusal of the adjournment. This appeal then was, according to the evidence, dismissed.

It would be an impertinence on my part to in any manner review the correctness of a decision arrived at, after argument, by the highest tribunal in the State.

Mr. Hughes contended that the only inference to be drawn from the evidence was that the Hon. Alex. MeCallum was in a state of grave alarm in January, 1935, for if the appeal were allowed by the Full Court and the matter referred back to the magistrate to hear and determine according to law he would have been convicted. The result of such a conviction would mean that the seat of the Hon. Alex. MeCallum in the Legislative Assembly would be vacated. The Government he contended, must then either lose a supporter in the Legislative Assembly or grant a pardon, following the course adopted in the case of the Hon. E. H. Gray. He swore there had been a public outcry against the granting of a pardon to the Hon. E. H. Gray, and that the Government would long have hesitated in the matter of a second pardon.

Mr. Hughes contended that the Hon. A. MeCallum then dragged the Premier into granting to him (Hon. A. MeCallum) the position as Chairman of Commissioners under the Act which had been passed to reorganise the Agricultural Bank of Western Australia, and that this Act had been passed for the express purpose of removing the Bank from political influence. That it was intended, as it were, to make a fresh start, having independent persons as Commissioners who had had nothing to do with politics. He pointed out as was a fact, that no applications had been invited through the Press, as he said had been done in every instance during the last ten years where a public office fell vacant. Moreover, he argued that the appointment of the Hon. A. MeCallum to the position in the month of March, 1935, was evidence of the grossest misconduct, inasmuch as the Hon. A. MeCallum was not only a poor hand at spelling but most illiterate. Also that the Hon. A. MeCallum had had no previous banking experience.

He made a strong point of the fact that the Hon. Michael Francis Troy, when introducing the measure into the Legislative Assembly for the amendment and reconstruction, as it were, of the Agricultural Bank, had not disclosed the Government’s intention of appointing Mr. MeCallum to the position in question. If this had been disclosed, he submitted, the measure would have been wrecked.
Mr. Hughes frankly admitted that his evidence was almost entirely circumstantial, but insisted, and rightly so, in my view, that the weight of circumstantial evidence, that is speaking generally, is very great. Mr. Hughes was anxious to bring forward evidence to the effect that the Hon. A. MeCallum not only had no experience as a banker, but was really disqualified from holding such a high and important office by reason of the fact that he was an "underground engineer" (my paraphrase of Mr. Hughes' statements in this respect) in that no licence for his business had been applied for in the name of third parties, but in which the Hon. A. MeCallum was largely interested. After considerable hesitation I rejected this evidence as it seemed to me that part of Mr. Hughes' attack on the Hon. A. MeCallum so far as concerned his qualifications related, and related only, to the fact that he lacked banking experience.

Sir Walter James called in evidence the Deputy Premier, the Hon. Michael Francis Troy, who had been Minister for Lands at the time in question. He stated that about the middle of January, 1933, he dismissed with the Hon. A. MeCallum who was then acting as Premier, they being the only persons present, the filling of the office of Chairman of the Agricultural Bank.

Mr. Troy's evidence was as follows:

"I stated that it was necessary to have a chairman, one who had experience in administration. I suggested that Mr. MeCallum should allow himself to be nominated for the position. Mr. MeCallum was surprised at my suggestion and did not express any inclination to accept the appointment. I told him to think the matter over, but he told me that no decision could be made until the return of the Premier. In the meantime he would think it over. I saw him once or twice afterwards in the course of our official duties but he did not express any inclination to take the appointment. Soon after Mr. Collier returned to Perth (29th January, 1933) I told him I had offered the appointment to Mr. MeCallum. I conveyed to Mr. Collier my opinion that Mr. MeCallum would make a suitable chairman, as a person with administrative qualifications and experience was necessary. Mr. Collier did not express any disapproval or agreement and said he would think the matter over. I do not know what took place between Mr. MeCallum and Mr. Collier because I was not there, but I do know that I had to press Mr. MeCallum several times to make a decision. He was very reluctant to leave the Ministry. Finally about the beginning of March I told Mr. MeCallum I wanted a decision as the time was getting on and I wanted the appointment to be made. I could not wait any longer. When Cabinet assembled on the 4th March, 1933, it was I who made the recommendation and not Mr. Collier."

Mr. Troy justified the appointment claiming that Mr. MeCallum was the most suitable man for the appointment and that experience as a banker was not at all necessary. In fact, he said that the Agricultural Bank could not be worked on the lines usually adopted by bankers in Australia. In my view the evidence of the present Deputy Premier, Mr. Troy, was not shaken in cross-examination.

The Hon. Philip Collier, M.L.A., was also called by Sir Walter James and gave evidence strongly confirming that of Mr. Troy's evidence. He detailed various interviews with the Hon. A. MeCallum and swore that the latter had hesitated so much before he accepted the position that he even went the length of asking him (the witness) when Premier of this State, to make the decision for him. The witness, however, swore that he had pointed out to Mr. MeCallum that he could not take the responsibility of deciding such a grave and important issue in his (MeCallum's) life, and that he must make up his own mind.

I am clearly and definitely of the opinion that the allegations involved in charge No. 1 (a) are not true. I believe, and so hold that the Honourable Michael Francis Troy and the Honourable Philip Collier were witnesses of truth and I adopt their evidence and unhesitatingly acquit both the Honourable Alex. MeCallum and the Honourable Philip Collier of the charges leveled against them in this respect.

As to Charge 4 (b): But the Minister for Lands, the Member for Mt. Magnet, held out on them, not wanting to let them have either the picture show or the hotel. He would not pass the necessary regulation. He held them up for four months before he would let the regulation go. Then something extraordinary happened. Then the Premier suddenly transferred from the Minister for Lands to Mr. MeCallum, who was then Minister for Works the portfolio governing town planning; and three days before Mr. MeCallum retired from public life he reversed the decision of the Minister for Lands and granted leave for the pub and the picture show.

In 1934 there existed in this State a road board having jurisdiction over the roads at Nedlands. So far as I can gather, this board is really a local authority in the area in question. It is a board composed of members elected by the ratepayers of the area. The members of this board are honorary members.

There also existed in 1934, and still exists, a Town Planning Board, of which Mr. David L. Davidson was, and is, the chairman. On the suggestion of Mr. Hughes, this gentleman was called as the first witness upon this charge. When being examined by Mr. Hughes, he appealed to me to allow him, for the purpose of clarity, to tell briefly his story in his own way. This course was agreed to.

It appears that some months prior to July, 1934, permission had been granted for the erection of a picture show at Nedlands. The locality for this picture show was situated within a shopping area. Objection was taken by certain residents in the area to the erection of this picture show. Under the Act in force in this State, it then became the duty of the Minister for Lands to decide whether or not jurisdiction existed in the road board above-mentioned to sanction a picture show in a shopping area. The Minister (the Hon. M. F. Troy, M.L.A.) adopted the wise course of hearing the parties concerned, who appeared by counsel. He also took the advice of the Crown Law Department, and was advised wrongly as Mr. Davidson maintained, and still maintains, that sanction could not be given for the erection of a picture show in a shopping area. The Minister adopted the advice tendered to him by the Crown Law Department and directed the road board that the structure of the picture show, then partly begun, must be removed.

So far as I can judge, the road board disregarded this instruction.

At this time, Nedlands was a growing and progressive suburb.

With a view to avoiding the difficulties created by the Minister's ruling, the road board determined to endeavour to have its powers widened so as to enable
it to sanction the erection of picture shows in shopping areas. Its desires in this respect are embodied in a document dated 10th July, 1934.

At about this time Mr. Davidson and his co-members on the Town Planning Board considered that it would be wise to suggest that the amended scheme, if approved, should embrace the power to sanction hotels within shopping areas (but of course, subject to the authority of the Licensing Court). So that, if may be stated broadly, in July or early in August, 1934, there were before the Minister two proposals with which I am concerned:

(a) The suggested amendment to empower the road board to sanction the erection of picture shows in shopping areas;
(b) A further suggested amendment to enable the road board to sanction the erection of hotels in shopping areas.

Mr. Troy, as far as I can see, gave the matter his earnest consideration. In the latter end of August he visited the loci in quo and made a thorough inspection of the site of the proposed picture show.

At this time Mr. Davidson had learned, quite unofficially, that the question of building an hotel at Newlands was in the air. A day or so afterwards on inquiry at the Licensing Court, he learned that two petitions for two hotels had been lodged. He conceived it to be his duty to inform his Minister to that effect, and did so.

A proposal was then made by the Minister that the road board should reserve territory lying between Florence and Stanley streets for shopping only. This reservation would extend to the proposed site of the picture show and the hotel. Without definitely committing himself, the Minister informed Mr. Davidson that if the road board would adopt his suggestion, by way of settling the grievances of the residents and others within the area, he would be prepared to consider the question of sanctioning the proposed amendments contained in the document of the 10th July, 1934. The adoption of such a course would have enabled the road board to sanction the erection of a picture show and hotel in the close vicinity of the former proposed site. The Minister charged Mr. Davidson with the duty of conveying his views in this connection to the road board. This Mr. Davidson did in person. Apparently the road board went into committee, but point blank refused (what I am for convenience terming) the compromise suggested by the Minister. This refusal was at once conveyed by Mr. Davidson, as indeed was his duty, to his Minister.

There the matter rested until in January, 1935, a ruling was sought from the Minister by persons who had obtained a provisional license from the Licensing Court (these persons had unsuccessfully applied shortly before to the Crown Law Department for a ruling) as to whether it would be lawful to sanction the erection of a hotel in the shopping area in question. The Minister, however, ruled that he had no jurisdiction in the matter unless and until there had been a breach by the road board of its duty, and he refused to be drawn.

In February, 1935, it was determined by the Hon. Premier that the Town Planning Board should be transferred from the Lands Department (presided over by the Hon. M. F. Troy) to the Works Department (presided over by the Hon. A. McCallum) and an Executive minute appertaining thereto was passed on the 5th March, 1935. On this date, the Minister for Works addressed a letter to Mr. Davidson (Town Planning Commissioner). In this letter the Minister for Works gave approval to the proposed amendments suggested by the road board and the Town Planning Board. The result, inter alia, was that sanction might be given by the road board for the erection of (a) picture shows and (b) hotels in shopping areas. Such approval, so far as concerns picture shows in shopping areas, was a reversal of the ruling in that respect given by Mr. Troy. He had, however, given no ruling with regard to hotels.

Up to this stage I can see no evidence of misconduct on the part of the Hon. M. F. Troy (and I do not think any is charged) or on the part of the Hon. A. McCallum, or on the part of the ex-Premier, Hon. P. Collier.

The misconduct alleged against the Hon. P. Collier was that for improper purposes he changed the control of the Town Planning Board from the Lands Department to the Works Department, whilst against the Hon. A. McCallum it was suggested that for very improper motives and just before retiring from public life he reversed the decision of the Minister for lands and granted leave for the hotel and picture show.

It is now necessary to consider the circumstances under which the administration of the Town Planning Board Act, 1928, was transferred from Lands to Works.

Both the Hon. M. F. Troy and the Hon. P. Collier gave evidence on this point, and were respectively cross-examined. It appears to me that it is contemplated by the Act in question that its administration should primarily come under the Minister for Works.

Upon the passing of the Act in 1928, it appears that the Act was administered by the Minister for Works. According to the evidence of the Hon. M. F. Troy, such administration was, upon the passing of the Act, administered by the Works Department, but that, during the period of the Mitchell-Latham Government, the administration of the Act was entrusted to the Lands Department. When the Hon. M. F. Troy took office in 1933 as Minister for Lands he continued to administer the Act.

The natural department to administer the Act appears to me to be the Works Department, as the activities of the Town Planning Board are closely associated with local government matters, and local government matters are, in this State, under the control of the Hon. Minister for Works.

In 1934 the Hon. M. F. Troy had piloted the Agricultural Bank Bill through the House. He was busily engaged also with other legislative and administrative duties in this year.

After the Hon. P. Collier's return from New Zealand on the 29th January, 1935, the Hon. M. F. Troy swore that he (Mr. Troy) was not feeling well, and that he had a discussion with the Hon. P. Collier as to the various Acts under his control, and mentioned amongst other things the town planning administration. Mr. Troy swore that he informed Mr. Collier that he did not consider the administration of the Town Planning Act properly belonged to the Lands Department. The Premier apparently agreed and asked "Should not that properly be attached to the Works Department?" Mr. Troy then informed the Premier that it was his view that the town planning properly fell under the Works Department. It was
then agreed between Mr. Troy and the Premier that
the administration of this Act should go to the Works
Department.
Mr. Troy, however, had been away from Perth for some
weeks previous to the 8th March, 1935. His
attention was drawn to the Government Gazette of
that date. Whereupon he interviewed the Hon. P.
Collier, and being very incensed at the change, con­
sidered the question of resignation.
I candidly confess I was deeply impressed by the
Hon. M. F. Troy's evidence touching this charge. He
stated frankly that when he interviewed Mr. Collier
he had forgotten that he had requested Mr. Collier
to relieve him of the duty of administering the Town
Planning Act. True it was, through some oversight,
Mr. Collier's appointment had not notified Mr. Troy
of the change that had been made, but this oversight,
could in no way affect Mr. Troy's honesty and integ­
ritv, or that of the Hon. P. Collier, whose evidence,
I may say, strongly supported that of Mr. Troy.
On the whole then, I see no grounds whatever for the
suggestions made—(a) against the Hon. P. Col­
lier, M.L.A., nor (b) against the Hon. A. McCullum.
I do not think, in this respect, any charge was
made against the Hon. M. F. Troy, but assuming that
his character is necessarily involved in this charge,
I find that his evidence was true, and that throughout
the transaction he acted in a conscientious manner
and from a high sense of duty.

As to charge No. 5 (a, b, c and d): (a) This
State of Western Australia is a paradise for gan­
gsters and grafters. We have a licensing law.
We have three men administering the Licensing Act.
There had been seven or eight petitions for a pub.
It is an extraordinary thing how licenses are
granted by the Licensing Bench. Seven, I think,
applications were made for a license in Mt. Lawley.
Each petition had the required number of signa­
tures. The blocks of land appeared to be more or
less the same. All the applications were rejected,
till suddenly Senator E. B. Johnston comes along,
makes an application, and it is granted without any
trouble.
(b) There was a hotel at Nedlands. There was
trouble about the license. It was desired to have a
picture show at Nedlands. A friend of the head of
the Agricultural Bank, Mr. Alex. McCullum, wanted
to run pictures; but the Town Planning Commission
would not give him permission to make the area a
business area. Then along comes another gentle­
man, who wants a hotel. He selected a block of
land, to all intents and purposes equivalent to the
one on which the hotel was afterwards built. He
applied for the license, but in came Senator John­
ton again for a license on the opposite corner.
Last in was first home; the Senator got the license.
(c) The Licensing Bench to-day is apparently the
monopoly of one or two men, and the sooner we
abolish the Licensing Bench the better for the hon­
nour of Western Australia.
(d) The members of the Licensing Bench are in
a terrible position. They are appointed for three
years; and they know that if they do not do as they
are told, they go at the end of the three years.
As already set out in this report, towards the con­
clusion of what I may describe as the "Gray" charges,
Mr. Hughes announced that he would no
longer appear as an advocate in support of the
charges. Mr. Wolff, K.C., who appeared for the
Crown, stated, however, that he desired that Mr.
Hughes should be called to supply fuller particulars
of the allegations under this heading, so that he, Mr.
Wolff, might be the better prepared to deal with the
same. Mr. Hughes was accordingly called and the
nature of his evidence appears from the record.
Suffice it to say that in my view the details sup­
plied by Mr. Hughes were vague in the extreme and
appeared to be largely grounded on hearsay. Never­
th's, he clearly and definitely maintained that the
allegations made by him in this respect were cor­
rect. He frankly admitted that if certain of the
petitions required by the Licensing Act had been
voluntarily withdrawn, he was prepared to withdraw
his allegations with respect to the same.
In my view the allegations with which I am now
dealing involve grave charges against the Licensing
Court, the Government from time to time in power,
Senator E. B. Johnston and the Hon. A. McCullum.
I will first deal with Mr. Hughes' allegation that
"seven applications were made for a license in Mt.
Lawley. Each petition had the required number of
signatures. The blocks of land appeared to be more or
less the same. All the applications were rejected,
till suddenly Senator E. B. Johnston comes along,
makes an application, and it is granted without any
trouble."
To begin with, it seems to me there really were
only seven petitions, not seven applications, and a
petition, as is well known, is very different from an
application.
Still, allowing Mr. Hughes some license in this
respect, I propose to examine the position of the
petitions, which, though lodged, did not succeed.

<table>
<thead>
<tr>
<th>No.</th>
<th>Date of Lodgment</th>
<th>Site.</th>
<th>Originator of Petition</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2nd July, 1929</td>
<td>5th Avenue, Inglewood</td>
<td>J. D. Whyte</td>
<td>Withdrawn by solicitors.</td>
</tr>
<tr>
<td>2</td>
<td>28th November, 1933</td>
<td>Same land as above</td>
<td>J. D. Whyte</td>
<td>Not sent by Governor in Council to Licensing Court. Petition not signed by majority of electors. Prayer of Petition refused by Executive.</td>
</tr>
<tr>
<td>3</td>
<td>9th November, 1933</td>
<td>7th Avenue, Inglewood</td>
<td>Possibly Thomas Dean</td>
<td>Obviuously Petition not signed by majority. Prayer of Petition refused by Executive.</td>
</tr>
<tr>
<td>4</td>
<td>27th November, 1934</td>
<td>7th Avenue, Inglewood. Same site as above</td>
<td>Possibly Thomas Dean</td>
<td>Obviuously Petition not signed by majority of electors. Not sent by Governor in Council to the Licensing Court. Prayer of Petition refused by Executive.</td>
</tr>
<tr>
<td>5</td>
<td>12th December, 1933</td>
<td>Central Avenue, Inglewood</td>
<td>Mrs. Lily Kavanaugh</td>
<td>Withdrawn by Mrs. Kavanaugh.</td>
</tr>
</tbody>
</table>

Note.—Mrs. Kavanaugh's position was one referred to by Mr. Hughes. Instead of the Petition being signed by the statutory majority, 1,632 alleged electors signed the Petition. Of these 921 were not qualified to vote.
In each case where the prayer of the petition was refused by the Executive, the Executive apparently acted on the report of the Chief Electoral Officer which was forwarded by that officer to the Executive.

I now propose to deal with the refusal by the Licensing Court to grant a license at Inglewood, and the subsequent grant of a license at Inglewood (Mt. Lawley).

On the 9th May, 1931, a petition was presented to the Governor in Council with respect to a site situated in Ninth Avenue, Inglewood. The petition was signed by 1,462 electors, that is to say, by the small majority of 80. The Licensing Court, on the matter being referred to it in due course, came to the conclusion that the time was not ripe for acceding to the application, and recommended that the license not be granted.

In 1929 one Corcoran applied direct for a license to the Licensing Court for premises situated at Banskia Terrace, South Perth. It was decided by the Full Court of this State on proceedings for prohibition and certiorari that applications must be made direct to the Licensing Court where the number of licenses in the district is less than the number existing at the date of the passing of the Act, 31st December, 1922.

Mr. J. D. Whyte, public accountant, who was attorney for Senator Johnston, made application subsequent to Corcoran’s application for a license for a site situated at Fifth Avenue, Inglewood, being the site in respect of which a license was subsequently granted as hereinafter mentioned, to Sidney Maur Johnston in 1935.

After the decision of the Full Court there were thus two applications to be dealt with by the Licensing Court, namely, Corcoran’s and Whyte’s. After consideration, a license was granted to Corcoran and not to Whyte, though he was a Senator Johnston’s nominee.

On the 11th January, 1935, a petition was lodged for a license for Fifth Avenue, Inglewood, with respect to the site at Inglewood just mentioned. There was the requisite majority, there was no rival application (if I may use the expression), only formal opposition by the Police, but there were objections by electors. After hearing, the Licensing Court favorably recommended the application. A license was subsequently issued to Sidney Maur Johnston, the Senator’s brother. The tender of a premium of £1,500 was accepted.

I now propose to deal with the hotel at Nedlands, to which reference is made in the charge. On the 18th December, 1933, a petition was presented, praying that a license might be granted in respect of land situated at Barron Avenue and Stirling Highway. A Mr. Dolan was the originator of this petition. According to the evidence of Mr. Cahill, the Chairman of the Licensing Court, Mr. Dolan is a well known man and enjoys a most excellent character.

On the 6th June, 1934, another petition was presented with respect to lands almost diagonally opposite the lands referred to in the earlier petition, being lands situated at the corner of Florence Road and Stirling Highway.

The petition relating to the land in Barron Avenue contained a majority of 117 electors, there being 728 signatories. The petition relative to the Florence Road site contained a majority of 501 electors, there being 1,130 signatories to the petition.

The petition relating to the Baron Avenue site was heard by the Licensing Court on the 13th August, 1934. As soon as the evidence was completed with respect to the second petition the Court retired, and the matters of both petitions were fully discussed.

The chief discussion was, as I was informed by Mr. Cahill, whether or not the time was ripe for the granting of any publican’s general license. The Court decided that the time was ripe. The Court had itself visited, inspected, and measured up the respective sites, and came to the conclusion that the Florence Road site was the better one of the two. The Court, according to its established practice, paid great consideration to the fact that the depth of the land in Florence Road exceeded the depth of the land in Barron Avenue by 15 feet. The Licensing Court was of the opinion that this would permit of the premises in Florence Road being set back to a much greater distance from the frontage than would be the case with respect to premises erected on the Barron Avenue site. This was the determining factor in the mind of the court, nevertheless it treated as a factor the fact that there was a majority of 501 electors in the one case and 117 electors in the other. The Licensing Court recommended the Florence Road site.

£1,500 had been tendered as a premium with respect to this site, but this was not accepted. Finally £2,000 was tendered and accepted. This, on the evidence, was a very high premium.

Senator Johnston was undoubtedly interested in the matter of this petition, the matter of the subsequent license, and in the land and premises.

The hotel on the Florence road site is now known as the Captain Stirling hotel.

I have now to deal with the matter of the transfer of a license from Greenbushes to Pemberton.

In 1926 there were five publican’s general licenses in Greenbushes, a mining town that had gone down. Three holders made application to transfer their licenses to Pemberton, Mrs. Carrick and Messrs. Nutt and Delaporte. These applications were all heard at the same court at Bridgetown. The premises were to be new premises and plans and specifications were laid before the court. According to the evidence of Mr. Cahill all these plans were suitable and met with the approval of the court. Mr. Delaporte was the successful applicant. He proposed to erect premises valued at £8,000.

After listening to the evidence of Mr. Cahill, I consider that the Licensing Court took into consideration all the important factors, such as proximity to schools, churches, etc., and finally determined on Mr. Delaporte’s application, as not only was the site the most suitable, but the area of land was large and ample. The premises were to be erected on land owned by Senator Johnston. The premium of £1,000 was paid in this respect.

In 1924 a petition, which, according to Mr. Cahill, was definitely sponsored by Senator Johnston, was presented for a license at Melville. This petition was referred to the Licensing Court and it was recommended that the prayer of the petition be granted. There was no other applicant and no objection. The value of the premises was about £10,000. The locality of the site for which the license was duly issued is the North-Eastern Wheat Belt. The nearest hotel was situated at Beeculbin,
some 25 miles distant. This was the only personal application made to the court by Senator Johnston since the creation of the court in 1922. Thus, subject to the qualifications which I am about to mention, Senator Johnston has been interested in four licenses, and four only, which have come before the Licensing Court since its inception in 1922. To recapitulate, these were—

1. The license granted to Muirinduin in 1921.
2. The license granted to Sidney Mauro Johnston in 1923 for premises situate at Fifth Avenue, Inglewood.
3. The license granted for the premises at Endlands, now known as the Captain Stirling Hotel, in 1934.
4. The removal of the license for premises at Greenhouses to Pemberton in 1926.

The qualifications referred to are as follows:—As appears from the foregoing, Senator Johnston’s nominee, J. D. Whyte, was unsuccessful in an application in 1929 for the premises situate at Fifth Avenue, Inglewood, when his rival, Mr. Cororan, was successful.

Senator Johnston swore that he was behind and bore the expenses of the first three unsuccessful petitions with respect to the land at Inglewood, here-inbefore referred to.

In addition to the four licenses in which I find Senator Johnston to be interested, it appears from the records and from Mr. Cahill’s evidence that Senator Johnston is interested in nine old licenses, meaning by the words “old licenses” licenses which had been legally granted in this State prior to the present Act coming into force in 1922. Senator Johnston, and those interested with him in his various hotel ventures, as the price of the renewal of the annual licenses, expended the sum of at least £40,000 by way of improvements, additions, rebuilding and repairs.

There is nothing in the law, so far as I can see, to prevent the owner of freehold land, when an application comes before the Licensing Court, from putting forward his nominee as the proposed licensee, whether the proposed licensee is to be a lessee or only the paid servant of the owner of the freehold, but it does not appear with respect to any license in which Senator Johnston is interested, that the licensee has no bona fide interest in the venture.

Of course, as is well known, the transfer of a license is a very different thing to the granting of a fresh license, and I venture to suggest that the approval of the Licensing Court to the transfer of licensed premises to an applicant of good character is more or less a matter of form. Nor do I think that Mr. Hughes’ complaint, when closely examined, refers to anything but the granting of, what I may call, original licenses.

The records of this State, since the present Licensing Act came into force in 1922, disclose the following facts:—

<table>
<thead>
<tr>
<th>Petitions Lodged</th>
<th>Total</th>
<th>Granted</th>
<th>Refused</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Applications to the Court for Licenses</td>
<td>33</td>
<td>23</td>
<td>32</td>
</tr>
<tr>
<td>Applications for Removal of Licenses</td>
<td>28</td>
<td>7</td>
<td>21</td>
</tr>
</tbody>
</table>

I have set out, I am afraid with somewhat wearisome details, the facts, as I see them, surrounding the operations of Senator Johnston with regard to his hotel business, but I have thought it necessary so to do in view of the grave, and, as, I find, unfounded aspersions, cast upon the Licensing Court and its members.

I imagine that the foregoing figures as to petitions, direct applications and applications for removal as above set out will prove of great value in weighing the correctness, or otherwise, of Mr. Hughes’ allegations in this respect.

No evidence was brought before me that the Licensing Bench, though appointed for three years only, has had any political pressure or any undue influence of any kind brought to bear upon it or its members. On the contrary, Mr. Cahill, who has been a member of the Licensing Court for many years, and who is now the chairman, stated that no political influence at all had at any time been brought to bear upon it.

I am therefore of the opinion that the allegations contained in this charge have been entirely disproved. Moreover, I can see no foundation for the suggestion that the Licensing Bench is the monopoly of one or two men.

As to charge No. 6 (a, b, and c):—

(a) Before the last election the starting price bookmakers were promised immunity and sympathetic consideration, if they subscribed to the party funds of the Government.

(b) Between them they put up £350.

(c) That money was given to the representative of the Government on behalf of their funds.

The inquiry as to the matters involved in this charge was a difficult one. Firstly, because the party making the charge, Mr. Hughes, had refused as hereinbefore appears, to give any evidence touching the matter, or to assist me in any way upon this matter, or upon the following charge.

Still, the duty was imposed upon me to make the inquiry.

Consequently, the Commissioner of Police for this State was called and carefully examined on the salient points of this charge. He was quite unable to give me any proof whatever that the starting-price bookmakers had subscribed £350 or any sum, prior to the last election, or at any time, or that they had been promised immunity and sympathetic consideration, nor could I ascertain from anyone who was the representative of the Government to whom the moneys were alleged to have been given.

Sir Walter James called the Hon. Harold Millington, M.L.A., who had been Minister for Police and who is still a Minister of the Crown. In substance, he stated that he knew nothing of the matter, that he knew nothing of the promise of immunity or of sympathetic consideration, also that he had never heard of the sum of £350, or any sum, being paid by the starting-price bookmakers to a representative of the Government, or to any person.

Being desirous of probing the matter still further, I asked that Mr. Mooney, hereinbefore referred to, should be called.

Now if there were any truth in this allegation, it would be a strange thing if Mr. Mooney, occupying the position which he did, and does, had not heard something of the matter. But he swore he had no knowledge of the matter whatsoever, or of any payment of £350, or of any sum, to the funds of his party. He further swore that any such sum, if paid,
must be received by the officers of the State Executive, and that no such sum had, to his knowledge, been received.

I therefore find that there is no truth in any of the allegations contained in this charge.

As to charge No. 7 (a, b and c):—(a) the present Government have handed over the mining areas to Mr. de Bernales.

(b) To-day de Bernales is virtually Minister for Mines. He had a reservation of all the gold-bearing and greenstone gold-bearing country in this State.

(c) When the Minister (referring to Hon. S. W. Munsie) went to London he was merely the smoke-screen for de Bernales.

Mr. Wolff, K.C., appeared for the Mines Department and Sir Walter James for the Hon. Minister for Mines.

As the refusal of Mr. Hughes to give any further evidence at the hearing expressly extended to this charge, further difficulties naturally arose.

The matter, however, is largely a departmental one. Section 297 of the Mining Act of 1904 reads as follows:

"The Minister, and pending a recommendation to the Minister, a Warden, may temporarily reserve any Crown land from occupation, and the Minister may, at any time, cancel such reservation: Provided that if such reservation is not continued by the Governor within twelve months the land shall cease to be reserved.

"The Minister may, with the approval of the Governor, authorise any person to temporarily occupy any such reserve upon such terms as he may think fit." (See in this connection Regulation 112 of the regulations made under the Mining Act.)

To determine the truth, or otherwise, of the allegation that de Bernales had a reservation of all the gold-bearing and greenstone gold-bearing country in this State, Mr. M. J. Calanchini, the permanent Under Secretary of the Mines Department since 1918, was called to give evidence. This gentleman joined the Mines Department in 1893, was for some years Mining Registrar and Warden on the Goldfields, and later Assistant Under Secretary and Principal Registrar.

In find that on the 3rd May, 1904, the first application for a reservation, with the right to occupy, was made and that up to the 1st December, 1936, 983 similar applications had been received and dealt with.

The object of the reservation is to protect the person carrying out the prospecting.

Every year since 1904 applications have been made for reservations.

Exhibit 55 indicates the number of temporary reservations dealt with since 1904, that is to say, a total number of 983.

Exhibit 56 shows the list of temporary reservations in force on the 31st December, 1936, whilst the pencil marks in the right hand column indicate the reservations held by companies in which de Bernales is interested. Two of these concern coal. According to my calculation this reduces the number of reservations held by the de Bernales companies to 40, so far as concerns gold.

The maps (Exhibits 57 and 59) afforded me great assistance in determining the matter. A glance at Exhibit 50, a map which indicates the greenstone country, will show, in conjunction with Exhibit 57, how small in comparison with the total greenstone country are the areas held by the de Bernales groups.

Further it should be borne in mind that, according to the evidence which I accept as true, the de Bernales groups have spent upon these reservations, according to their monthly returns, a sum in the close vicinity of £900,000. Most of this money, according to the evidence of the Under Secretary, has been spent in the last three years.

The following table will show the reservations granted to companies in which de Bernales is interested in the years 1930-1935, inclusive, from which it will be seen that out of a total of 40 reservations held by the de Bernales companies the present Government has granted only 8:

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Reservations Granted</th>
</tr>
</thead>
<tbody>
<tr>
<td>1930</td>
<td>7</td>
</tr>
<tr>
<td>1931</td>
<td>9</td>
</tr>
<tr>
<td>1932</td>
<td>2</td>
</tr>
<tr>
<td>1933</td>
<td>4</td>
</tr>
<tr>
<td>1934</td>
<td>3</td>
</tr>
<tr>
<td>1935</td>
<td>1</td>
</tr>
</tbody>
</table>

The Hon. S. W. Munsie, M.L.A., Minister for Mines for some years, who has had a large experience in mining matters and who knows the goldfields of Western Australia well, gave evidence touching the matters involved in this charge.

As hereinafore appears, reservations have been granted in each year since 1904, and this gentleman expressed a strong opinion that the granting of mining reservations had been very beneficial. He also swore that there was no foundation for the statement that de Bernales had all the greenstone gold-bearing country in the State, and that there was no foundation whatever upon which to ground such a statement.

On the whole then, I am quite unable to find that the allegations involved in Charge No. 7 are in any way correct or well-founded.

Although Mr. Hughes did not in express terms challenge the rights of His Excellency to issue a Royal Commission to inquire into the truth of charges made in speeches by members of Parliament in Parliament perhaps his attitude involves this question—For my own part and apart from the question whether members may or may not be compelled to attend and give evidence, I am definitely of the opinion that such power exists. Further, this is the exact course followed in Queensland some years ago. Allegations had been made by a member of Parliament in Parliament touching the purchase by the Government of a certain pastoral property. The Hon. Thos. O'Sullivan, K.C., who lately retired from the Queensland Supreme Court Bench, was appointed a Royal Commissioner to inquire into the allegations made by the member in the House of Assembly. The Royal Commissioner reported that the allegations were incorrect. Doubtless, other precedents exist.

In conclusion, it will be noted that I have nowhere throughout this report entered upon the question as to whether Mr. Hughes should or should not, from his place in Parliament have made the statements, which I have found to be incorrect, touching the honour of members of Parliament and of certain members of the public.

My reason for so refraining, is that I consider that Parliament is master of its own debates and the sole judge of its own internal procedure. Moreover,
it has been laid down by the highest authority that the position of a member of Parliament is that he has been appointed to be a sentinel of the public welfare. His position invests him, for the advantage of the public, with power and influence. One of his duties is that of watching, on behalf of the general community, the conduct of the Executive, of criticising it, and if necessary of calling it to account in the constitutional way by censure from his place in Parliament; censure which, if sufficiently supported, means removal from office.

This is the whole essence of Responsible Government which is the keystone of our political system, and is the main constitutional safeguard the community possesses.

The effective discharge of that duty is necessarily left to the member’s conscience and the judgment of his electors.

One does not ask, therefore, from a member speaking from his place in Parliament and in the heat of debate for that measured language which is usually found in the calmer atmosphere which characterises courts of justice.

Whilst, therefore, I find that none of the charges preferred has been substantiated, I feel it is no part of my duty to say that those charges should never have been made. This, as I have indicated, was a matter for the Legislative Assembly itself.

I desire to place on record my deep appreciation of the generous and able assistance received by me from Mr. R. J. Bond, the Secretary to this Commission. His unswerving attention to duty and to detail has deeply impressed me.

My thanks are also due to the various members of the legal profession who appeared before me, to Mr. L. Ramaciotti, chief of the “Hansard” staff, to the members of that staff, and to the gentlemen of the Press, and also to Miss F. I. Medcraft, stenographer, attached to the Farmers’ Debts Adjustment Office.

By Your Excellency’s Command,

(Sgd.) PERCY L. HART,
Royal Commissioner.

Perth, 8th February, 1937.