

(No. 81.)



1871.

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T A S M A N I A.

H O U S E O F A S S E M B L Y.

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ELECTION FOR FRANKLIN.

REPORT OF THE COMMITTEE OF ELECTIONS AND QUALIFICATIONS UPON  
THE PETITION OF R. HILL, ESQ., AGAINST THE RETURN OF JOHN  
DAVIES, ESQ.

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Brought up by Mr. Attorney-General, and ordered by the House to be printed,  
November 28, 1871.



*REPORT from the Committee of ELECTIONS AND QUALIFICATIONS in the matter of the Petition of RICHARD HILL, Esquire, against the Return of JOHN DAVIES, Esquire, as Member of the House for the Electoral District of Franklin; with Minutes of the proceedings of the Committee, and Evidence.*

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MEMBERS OF THE COMMITTEE.

MR. GIBLIN.	MR. GELLIBRAND.
MR. LEWIS.	MR. JACKSON.
MR. JAMES REID SCOTT.	

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DAYS OF MEETING.

November 20, 23, 24, 27, 28.

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WITNESSES EXAMINED.

H. M. HULL, Esquire.	JOHN DAVIES, Esquire.
E. A. WALPOLE, Esquire.	JOHN GEORGE DAVIES, Esquire.
HON. T. D. CHAPMAN, Esquire.	HENRY BEST, Esquire.
MR. DAVID ROBERTSON.	DONALD M'MILLAN, Esquire.

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*EXTRACT from the Votes and Proceedings of the House of Assembly, No. 5. 15 November, 1871.*

7. *Ordered*, That the Petition presented by Richard Hill, Esq., against the Return of John Davies, Esq., be referred to the Committee of Elections and Qualifications.

*To the Honorable the Members of the House of Assembly, in Parliament assembled.*

The humble Petition of the undersigned Richard Hill, lately a Candidate for a seat in your Honorable House for the Electoral District of Franklin.

RESPECTFULLY SHOWETH :

THAT your Petitioner was a Candidate at the late Election of a Member for your Honorable House for the District of the Franklin, held at Franklin on Wednesday, the twenty-seventh day of September now last past.

That the 19th Section of "The Constitutional Act" of Tasmania enacts that any person who shall, directly or indirectly, himself or by any person whatsoever in trust for him, or for his use or benefit, or on his account, undertake, execute, hold, or enjoy, in the whole or in part, any contract or agreement for or on account of the Public Service, shall be incapable of being elected or of sitting or voting as a Member of such Assembly during the time he shall execute, hold, or enjoy any such contract or any part or share thereof, or any benefit or emolument arising from the same: provided always, that nothing herein contained shall extend to any contract or agreement made, entered into, or accepted by any incorporated company or any trading company consisting of more than six persons where such contract shall be made, entered into, or accepted for the general benefit of such incorporated or trading company: provided also, that if any person, being a Member of such Assembly, shall enter into any such contract or agreement, or having entered into it shall continue to hold it, his election shall be void.

That, at the declaration of the Poll at the said Election so held as aforesaid, John Davies, of Hobart Town, in Tasmania, Esquire, who was also a Candidate, was declared duly elected a Member of your Honorable House for the said District of Franklin.

That your Petitioner on that occasion protested in writing against the candidature of the said John Davies on the ground of his then being the avowed proprietor of the *Mercury* newspaper and interested in a contract for printing for the Government, and therefore disqualified; but the Returning Officer refused to receive or entertain such protest.

That your Petitioner affirms that on such ground as is in the last paragraph of this Petition disclosed the said John Davies was then incapable of being elected, and now is incapable of sitting or voting as a Member of your Honorable House.

Your Petitioner therefore humbly prays your Honorable House to institute a full and searching enquiry into the allegations of this Petition, and, when satisfactorily substantiated, to declare the return of the said Election to be void, and your Petitioner the only duly nominated and elected Member of your Honorable House for the said Electoral District of Franklin.

And your Petitioner, as in duty bound, will ever pray.

RICHARD HILL.

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## R E P O R T .

THE Committee of Elections and Qualifications, duly appointed under the provisions of "The Electoral Act," to whom was referred on the 15th November, 1871, the Petition of Richard Hill, Esquire, against the Election and Return of John Davies, Esquire, as a Member for the Electoral District of Franklin, have determined; and do hereby accordingly declare:—

1. That John Davies, Esquire, was, on the 27th day of September last, duly elected a Member of the House of Assembly for the Electoral District of Franklin.
2. That the Committee, having carefully enquired into the allegation contained in the Petition of Richard Hill, Esquire, that the said John Davies was on the 27th day of September disqualified for election upon the ground that he was interested in a Contract for Printing for the Government, are of opinion that such allegation has not been satisfactorily substantiated.
3. That the evidence of the said John Davies and of John George Davies, his son, discloses that no pecuniary benefit accrued to the said John Davies from the Contract referred to in the said Petition; and the Committee have no evidence adduced before them to lead them to any opposite conclusion.
4. It appears from the Evidence that, at the date of the said Election, the said John Davies was the sole proprietor of *The Mercury* newspaper, in which the Government advertisements appeared; and the said John George Davies, who was the Government Contractor for advertising, was also the eldest son of the said John Davies, and then a Clerk in his employ.
5. That, under these circumstances, the said Richard Hill had reasonable grounds for presenting the said Petition and demanding the present enquiry; and the Committee, therefore, while not holding Mr. Davies disqualified, do not consider that Mr. Hill should bear the whole expenses incurred in opposing the Petition; and they assess the expenses of the said John Davies to be paid by the said Richard Hill to him at the sum of One Shilling.

W. R. GIBLIN, *Chairman.*

28th November, 1871.

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## MINUTES OF THE MEETINGS.

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MONDAY, 20 NOVEMBER, 1871.

*Present*—Mr. Giblin (in the Chair), Mr. Jackson, Mr. Gellibrand, Mr. J. R. Scott, Mr. Lewis.

1. A letter from Mr. D'Emden, Counsel for the Petitioner, having been read, it was

Ordered that the following Witnesses be summoned on behalf of the Petitioner for Thursday, the 23rd November, at 10 o'clock:—H. M. Hull, Esq., Hon. T. D. Chapman, Edward Atkyns Walpole, Esq., John Davies, Esq., John George Davies, Esq., Donald M'Millan, Esq., Henry Best, Esq., David Robertson, Esq., and Richard Hill, Esq.

The Committee adjourned at 11:30 to 10 o'clock on Thursday next.

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THURSDAY, 23 NOVEMBER, 1871.

*Present*—All the Committee. For the Petitioner, Mr. D'Emden; for the sitting Member, Mr. Graves.

1. The Petition was read.

2. The Committee having deliberated, it was

*Resolved*, That all Witnesses do withdraw, and that no person shall be examined as a Witness who shall have been present during any of the proceedings of the Committee.

3. Mr. D'Emden addressed the Committee on behalf of the Petitioner, and produced the *Hobart Town Gazette* of 29th November, 1870, and *Hobart Town Gazette* of 16th December, 1870.

4. Abstract of the Votes polled at the Election was read by the Clerk.

5. Edward Atkyns Walpole, Esq., was sworn and examined.

6. Hon. Thomas Daniel Chapman, Esq., was sworn and examined, and produced papers marked A. B. C.

7. Mr. David Robertson was sworn and examined.

8. John Davies, Esq., was sworn and examined.

The Committee adjourned from 1 to 2:15.

Committee resumed.

John Davies, Esq., was further examined.

The Committee adjourned at 3:30 P.M. to 10 o'clock on Friday, 24th November.

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FRIDAY, 24 NOVEMBER, 1871.

*Present*—All the Committee.

1. The Minutes of the previous meeting were read and confirmed.

2. Mr. John George Davies sworn and examined.

Committee adjourned at 11 for the Witness to produce his books.

The Committee resumed at 11:25.

3. Mr. John George Davies re-examined.

The Committee having deliberated,

4. H. Best, Esq., was sworn and examined.

5. Donald M'Millan, Esq., was sworn and examined.

The Committee adjourned at 1:15 P.M. until 2:20.

Committee met at 2:20 and deliberated.

6. Mr. Graves addressed the Committee on behalf of the sitting Member.

Committee adjourned at 3:30 P.M. until Monday at 10 A.M.

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MONDAY, 27 NOVEMBER, 1871.

*Present*—All the Committee.

1. The Clerk read the Minutes of the last meeting.

2. Mr. D'Emden addressed the Committee on behalf of the Petitioner.

The Committee deliberated, and adjourned until 2:30 P.M. on Tuesday, 28th November, 1871.

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TUESDAY, 28 NOVEMBER, 1871.

*Present*—All the Committee.

The Clerk read the Minutes of the last meeting.

1. *Resolved, nemine contradicente*, That John Davies, Esquire, was, on the 27th day of September last, duly elected a Member of the House of Assembly for the Electoral District of Franklin.

2. *Resolved*, That the Committee, having carefully enquired into the allegation contained in the Petition of Richard Hill, Esquire, that the said John Davies was, on the said 27th day of September, disqualified for election upon the ground that he was interested in a Contract for Printing for the Government, are of opinion that such allegation has not been satisfactorily substantiated.

3. *Resolved*, That the evidence of the said John Davies and of John George Davies, his son, discloses that no pecuniary benefit accrued to the said John Davies from the Contract referred to in the said Petition; and the Committee have no evidence adduced before them to lead them to any opposite conclusion.

4. *Resolved*, That it appears from the evidence that at the date of the said Election the said John Davies was the sole proprietor of *The Mercury* newspaper, in which the Government advertisements appeared; and the said John George Davies, who was the Government Contractor for Advertising, was also the eldest son of the said John Davies, and then a Clerk in his employ.

5. *Resolved*, That, under these circumstances, the said Richard Hill had reasonable grounds for presenting the said Petition and demanding the present enquiry; and the Committee, therefore, while not holding Mr. Davies disqualified, do not consider that Mr. Hill should bear the whole expenses incurred in opposing the Petition; and they assess the expenses of the said John Davies to be paid by the said Richard Hill to him at the sum of One Shilling.

6. *Ordered*, That the five Resolutions above carried be embodied in a Report to be brought up to the House this day.

The Committee adjourned at 3 P.M.

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## EVIDENCE.

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HUGH MUNRO HULL, ESQ., *sworn and examined.*

*By Mr. D'Emden.*—Your name is Hugh Munro Hull, and you are Clerk of the House of Assembly? Yes.

Do you produce the ballot papers used at the last election for the District of Franklin, deposited with you in accordance with the provisions of the Electoral Act? I produce a sealed packet, endorsed by Mr. Walpole, the Returning Officer, stated to contain those papers.

Will you open the packet? (Here the Chairman directed Mr. Hull to break the seals.) I have opened the packet.

Do you produce the nomination papers? They are not in the packet.

Do you produce the abstract of votes polled at the Election, and signed by the Returning Officer? I do. (Abstract read.)

Mr. Hull withdrew.

Papers put in evidence—*Hobart Town Gazette* of 29th November, 1870, containing a notice from the Chairman of the Board of Tenders, dated 28th November, 1870, calling for tenders for advertising; *Hobart Town Gazette* of 20th December, 1870, containing a notice from the Chairman of the Board of Tenders that the tender of John George Davies had been accepted.

ED. ATKYNS WALPOLE, ESQ., *sworn and examined.*

*By Mr. D'Emden.*—Your name is Edward Atkyns Walpole, and you are Stipendiary Magistrate at Franklin? Yes.

Were you Returning Officer for the Electoral District of Franklin on 27th September, 1871? I was.

You were Returning Officer for some considerable time? Yes. For some years.

Were there several candidates nominated at that election? Two. John Davies and Richard Hill.

Do you remember a conversation at the Polling Place between Mr. John Davies, Mr. Richard Hill, and Mr. Robertson? I remember one between Mr. Davies and Mr. Hill.

Did that conversation relate to an alleged disqualification of Mr. Davies? Yes.

Do you remember it? Mr. Hill had a paper which he said was a protest, which, I believe, he left at my office, and which I said I could not receive. I introduced Mr. Davies to Mr. Hill. Mr. Davies said he had sold the paper, and that the deeds were in preparation, and would be signed in a day or so.

Did Mr. Davies say when he was to give up possession of the paper? No.

What was the last day of nomination? 21st September, 1871, and the day of election the 27th.

*By Mr. Graves.*—Did Mr. Davies distinctly say he was no contractor? Yes.

Witness then withdrew.

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## HON. THOMAS DANIEL CHAPMAN, ESQ.

*By Mr. D'Emden.*—Your name is Thomas Daniel Chapman, and you are the Chairman of the Board of Tenders? Yes.

Do you produce a contract (marked A) made with John George Davies for printing in the Hobart Town *Mercury* for the year 1871? Yes.

Contract produced, dated 11th July, 1871, for two years from 1st January, 1871.

Do you also produce a similar contract made in September, 1869, for the service of 1870? No, but I produce the tender (marked B).

Do you produce all other documents and correspondence in connection with these transactions? Yes.

Was that tender (marked B) for 1870 accepted by the Government? Yes.

*By the Chairman.*—Do you know Mr. John Davies directly or indirectly in the matter of this contract for 1871? No.

Were negotiations entered into with any one on behalf of the *Mercury* newspaper before the tender was accepted? No.

From the date of advertisement calling for tenders up to the date of the advertisement accepting that tender, did you have any communication with Mr. John Davies as to his becoming a contractor? Certainly not.

Has Mr. John George Davies ever drawn any money directly from the Treasury? No. I hold Commercial Bank receipts for all the payments.

DAVID ROBERTSON, *sworn*.

*By Mr. D'Emden.*—Your name is David Robertson? Yes.

You reside at Honeywood, Franklin? Yes.

Do you remember the General Election in September last, when Mr. Davies and Mr. Hill were the candidates for the Franklin District? Yes.

At that election were you Mr. Hill's election agent? Yes.

Do you know Mr. John Davies, the respondent in this case? Yes, I know him by sight.

Did you see him at that election? Yes.

Were you present at a conversation between Mr. Davies and Mr. Hill? Yes, in the Police Office at the Franklin.

What was the conversation? Mr. Hill said he had a protest against Mr. Davies.

Did Mr. Davies refer to his connection with the *Mercury* newspaper? Yes; he said he sold the paper to two parties on the 1st September, to be delivered over on the 1st October.

Was there anything said about "transition," or that the deeds were in course of preparation? Not that I remember.

Was Mr. Walpole present at this conversation? Yes, he was in the Police Office.

Witness then withdrew.

JOHN DAVIES, ESQ., *sworn and examined*.

*By Mr. D'Emden.*—Your name is John Davies, and you are the sitting member for the District of Franklin? Yes.

Are you the proprietor of the *Mercury* newspaper? I am not.

Were you ever the proprietor of the *Mercury* newspaper? I was. I ceased to be the proprietor on the 30th September last.

Did you establish the *Mercury* newspaper? Yes, in 1854, and continued the proprietor until 30th September, 1871. Mr. Jones was a partner at first; he assisted me to establish it.

Did not his connection cease some years ago? Yes; he was only connected with it a few months.

Has the paper since then been entirely in your own hands? I have already said so—that is, up to the period I have mentioned.

Is Mr. John George Davies, the present contractor for the Government advertisements, a son of yours? Yes; he is my eldest son.

Were all the Government advertisements published in the *Mercury* during the current year up to 30th September? Yes, certainly.

Are you the contractor? I am not the contractor, nor have I been the contractor, directly or indirectly, for some years.

Were you so before you became a Member of the House? Yes; I think I was about eleven or twelve years ago.

To whom did you transfer the paper on the 30th September, 1871? To John George Davies and Charles Ellis Davies, my two eldest sons.

How is it that, you not being the contractor, the Government advertisements appeared in the *Mercury*? Very simple; some few years since there were two or three papers here. I held a seat in Parliament when tenders for advertising were called for. I valued my seat more than the pecuniary benefit arising from the advertisements, and I was not inclined to publish the advertisements under my own advertised price. I therefore gave my eldest son, John George Davies, permission to tender for these advertisements, telling him that the money would give him a start in the world, and that I would give him free space in the paper for their publication. He became the contractor. I gave him the space, and just then he married, and with the money he bought the house he lives in. I lent him some £500 or £600 for repairs and alterations, part of which he has repaid; he conveyed the house by way of marriage settlement to his wife. I never knew how much he received from the Government. I have asked him sometimes, but I never saw, nor did I ever handle one fraction of that money from John George Davies. Prior to his marriage he lived with me, and I think he had a fixed salary of £50 and the waste paper of the office, worth about £30 per annum, and his board, washing, and lodging. On the day of his marriage I increased his salary to £200, and he ceased to live with me. The salary continued up to the 30th September last. He was married, I think, in January, 1868. When my son first became the contractor, I gave instructions to my Chief Clerk and Commercial Manager (Mr. Rogers) not to interfere in the slightest with the contract, not to make a single entry in my books in connection with it; that Mr. John George Davies was to do his own work; and there never has been any entry made in the books, which are open to the Committee for inspection. John George Davies has always kept a set of books of his own, in which the Government advertisement accounts are kept.

What is your son's age? Between 25 and 26. He was born in Melbourne.

Would not more than the mere blank space in the paper be necessary to enable the advertisements to appear? Yes; the setting up. But that makes no earthly difference in a pecuniary way. My establishment is conducted upon the system called "the house," or stab, *i.e.*, I pay weekly wages. The custom of some printing establishments is to pay by the piece,—so much per 1000. I have never paid 5s. since I have been in business by the piece. As I pay by the week, the setting up was no extra cost to me. On one or two occasions when the Government advertisements necessitated a supplement, I charged my son for the paper on which it was printed, and nothing more.

Is the price of this paper on the one or two occasions referred to the only money you have derived from the Government advertisements? Yes; I swear it most positively.

Did you derive any indirect benefit from the Government advertisements? No, most certainly not. To a newspaper just started it would be of great benefit to publish Government advertisements; but to the *Mercury*, in an established circulation and position throughout the Colony, it could be of no indirect benefit; and I have ascertained by my subscription list to-day that for many years, except when Mr. Balfe was on the paper, my list never increased by 30; but when he came on the Protestant subscribers fell off; when he left they returned. Since the commencement of the year 1871, the circulation has increased, there being no other paper.

Was the only reason for your publishing the Government advertisements the benefit to accrue to your son? Most certainly. I did not wish to give up my seat, and therefore gave up to my son the benefit of them.

Was not the benefit to your son a benefit to you? Certainly not. A man may desire to see his son advance in the world. If that was a benefit, then certainly that was.

Did you ever have a man in your employ named Birchall? Yes; eight or nine years ago.

He was your overseer? Yes.

Was he a contractor with the Government for printing? The contractor for postage stamp printing. I sold him the copperplate plant, took acceptances for it, and while I was in Melbourne he got drunk and absconded.

Was his contract performed on your premises? Partially on my premises, but really on premises occupied by him as my tenant.

Do you know Mr. M'Millan? Yes.

Was he connected with the *Tasmanian Times* at the end of 1869? I think so.

Do you remember a conversation with him about the Government advertisement about that time? I remember saying that it was a pity the papers should run a muck about these tenders, and suggested that George Davies should make an arrangement with him as to them. I believe they entered into an agreement, but I can swear I did not know the contents of it; but I believe it was similar to one I made with Mr. D'Arcy Murray.

What was the arrangement with Mr. Murray? When Mr. Murray became contractor it was agreed that the *Mercury* should not tender, but that Mr. Murray should give half the gross proceeds to me. Mr. Murray received the whole receipts, but did not pay me my share.

Do you remember the morning on which the tenders for 1870 were sent in? No.

Were you present when the terms of the arrangement between Mr. M'Millan and your son were entered into? No, I don't think so. I believe I was not.

Were you a Member of the House when you made this suggestion? Yes.

Do you still derive your means of subsistence from the *Mercury* newspaper? Most certainly,—from the rent of the *Mercury*, which I have leased to my sons for 5 years. They are now registered proprietors, and I have no control whatever over it.

Have you any power of resumption? No.

*By the Chairman.*—Had John George Davies any security from you that the *Mercury* would insert his advertisements? None.

How often did John George Davies receive money from the Treasury? I cannot say. He made quarterly accounts against the Government.

Were you aware before to-day that he had given the Commercial Bank an authority to receive all the monies due to him? Not until to-day.

Did you benefit in any way by these payments to the Commercial Bank? Most certainly not.

Were any of these payments into the Commercial Bank for any liabilities of yours to that Bank? No.

Was Mr. George Davies acting as a Trustee for you in this contract? Most certainly not. I gave him the benefit of my columns to advance himself in life.

Since the last contract, what was Mr. George Davies' position in your office? Commercial Manager, in place of Mr. Rogers.

What was his remuneration? £200 per annum.

Was the allowance to your son of the use of your columns not compensated for by his services? No; I considered his salary alone more than enough for them.

Are the Committee to understand that the use of your columns gratis was an advancement from father to son without hope of any return? Most unequivocally.

*By Mr. D'Emden.*—When did your sons become the proprietors of the paper? On the 1st October, 1871; the registration was perfected on the 7th October.

*By the Chairman.*—I wish to add that the lease of the *Mercury* to my sons contains the usual clauses for forfeiture and resumption on non-payment of rent, or non-performance of conditions. And I also wish to add that I do not know how or from what source my son George repaid me the advances I made for the repairs and alterations at Roseville.

*By Mr. D'Emden.*—Is the rent contingent on the receipts of the paper? No, it is a fixed sum per annum, and in no way contingent on the profit of the paper.

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JOHN GEORGE DAVIES, ESQ., *sworn and examined.*

*By Mr. D'Emden.*—Your name is John George Davies? Yes.

Are you, with your brother, the proprietors of the *Mercury* newspaper? We are.

Are you the contractor for the publication of the Government advertisements in the *Mercury* for the present year? I am.

How long have you held similar contracts in your name? For some years; sometimes alone, and sometimes with others.

With your father at any time? No.

Have you not at all times of your contract inserted your advertisements in the *Mercury*? I have.

Was this by arrangement with your father, who was sole proprietor? Yes.

Can you tell us what that arrangement was? About four years ago I told my father I was about to be married, and that there was a property in the market that I would like to buy—that was Roseville. He said if I liked to tender for the Government advertisements he would give me the space in the *Mercury*, and if I obtained them it would help me to purchase the property. When the sale took place I bought it, that is on the expectation of obtaining this contract. I am not certain of this fact. I may have had the contract when I purchased the house. I bought the property on the terms of the sale, 25 per cent. cash, the remainder secured by bills extending over 12 and 18 months. I have taken up those bills with the money received from the Government. The amount of the purchase was £450. Mr. Davies also spent some £500 on repairs on this house with the understanding that I should refund him the same when convenient. I think I have repaid him about £100 of this. He gave bills for some of the work, about £100, which I took up. I am still responsible to my father for the £400. I have conveyed the property to my wife as a marriage settlement. My father is not a trustee under this settlement. I purchased another property, with which my father had nothing to do.

Had you any security from your father that he would publish the advertisements during the entire contract? No, it was an arrangement between father and son. I did not think any security necessary.

Did you send in a tender for the Government service of 1870? Yes.

Was Mr. M'Millan at that time proprietor of the *Tasmanian Times*? He was.

Was that tender forwarded to the Government in consequence of an arrangement entered into between Mr. M'Millan and yourself? Yes.

What was that arrangement? John George Davies and Mr. M'Millan guaranteed to publish the Government advertisements in the *Mercury* and *Tasmanian Times* on payment of 1s. 6d. per inch.

You had only one arrangement with Mr. M'Millan? Only one. That arrangement was not under the tender produced marked B. That tender was not accepted. The tender that was accepted was, to the best of my belief, in April, 1870.

Who suggested this arrangement? Mr. Davies.

And did you then suggest it to Mr. M'Millan? Mr. Davies said I had better see Mr. M'Millan and arrange with him so as to get a good price for the advertisements.



(Examination adjourned for 10 minutes to enable witness to produce books.)

[On Witness's return he stated that the Books were at his private residence at New Town; and Petitioner's Counsel stated he would not press for their production, as he did not think them material to his case. The examination was then resumed.]

*By Mr. D'Emden.*—Do you produce the letter accepting your tender for 1870 and marked D.? Yes.

Did you see Mr. M'Millan after this suggestion of your father's? Yes; I sent for Mr. M'Millan, and arranged the terms with him.

When did you first become a contractor by yourself? In 1867: I was sole contractor.

Have you since then been continuously a contractor? With the exception of one year and about twelve days, when Mr. Allen was contractor;—all 1869 and twelve days of 1870.

When you first became sole contractor what was your position in your father's office? I was a clerk in his employ.

On what terms? About £75 a year, and to live at home free of all expense.

Was this altogether besides any emolument you might derive from these contracts? Yes.

Did you and your father propose to devote the proceeds of these contracts to the purchase of this property? Yes.

Did this arrangement affect in any way your salary in your father's office? Most certainly not.

Have the bills to which your father placed his name been paid out of the proceeds of these contracts? Yes, so far as they have been paid by me.

*By Mr. Graves.*—Is there much work in preparing the advertisements in the paper? Yes, there is.

And in keeping the accounts? Yes.

Where did you do this work while you were in Mr. Davies's employ? At my own house, and in my own time.

Why? Because Mr. Davies stated to me that having given me the contract I was not to do the work in his time: I was not paid for that.

Were the contract accounts kept separate and in books of your own? Yes, certainly.

Was it part of your contract to furnish the Government with two copies of the paper? Yes.

At whose expense were the papers furnished during the joint contract with Mr. M'Millan? At Mr. Davies's.

Did Mr. Davies ever object to this? He did.

What objection did he make? He said he had given me enough licence, and he did not feel disposed to give me these newspapers free of cost. I mentioned this to Mr. M'Millan, and he agreed to pay the difference between the *Tasmanian Times* and the *Mercury* to Mr. Davies.

Was it agreed that you and Mr. M'Millan should pay Mr. Davies the cost of these papers? It was at one time agreed to, but it was not enforced, and no money was ever paid.

Did Mr. John Davies lose then by your contracts the price of these papers supplied to the Government? Yes.

Did Mr. Davies in any of your contracts directly or indirectly take or receive any benefit whatever? No, he did not.

In any of these contracts did you or any one stand possessed in trust or otherwise of any benefit to the use of Mr. Davies? No, nor any other person.

*By the Chairman.*—Who was contractor on the 27th September, 1871, for the Government advertisements? I was.

Was Mr. Davies on that day, directly or indirectly, interested in your contract? No.

What amounts have you received under these contracts from 1867 to the present time, not including Mr. M'Millan's share? About £500.

How was this money received? Before December, 1870, I received the money myself; since then it has been paid by the Treasurer into the Commercial Bank by my order.

Were you always paid by cheque? Yes, invariably.

Did you cash those cheques, or pay them to account? When sole contractor I paid them to my account, when with Mr. M'Millan I cashed them.

Did you ever pay them to your father's account? Most certainly not, nor the proceeds of them.

Did you ever pay wages for the establishment with them? No.

Did you ever discharge liabilities of your father's with them other than the accommodation bills given for your benefit? No.

Was the order for the Commercial Bank to receive the money given for your exclusive benefit? Yes.

What advantage did your father gain by the Government advertisements being inserted in the *Mercury*? We have never found it to be any advantage; it has not increased the circulation, if anything, it has been a loss to my father.

When was your salary increased? It was raised to £200 a year when I was married.

Was there any limit to the space given you in the *Mercury*? No.

When the Crown Lands were advertised for lease, was not the advertisement very lengthy? Yes, it necessitated issuing a supplement; it was 579 inches, for which I received £43 9s.

Did not this disarrange the paper on the day of its publication? A great deal.

Did you make any compensation to Mr. Davies for this? I paid the exact price of the paper used in this supplement and nothing more. I paid the wholesale price.

What duties were you discharging in September last? Commercial Manager.

Did you consider the free space in the paper a part remuneration for that office? Most certainly not. I considered my salary adequate to the duties I had to discharge.

In what light did you regard the free space given you in the paper? As a gift from father to son, without any prospect of repayment.

What did you think it cost your father? Extra labor, extra gas, and would make a difference in the wages for extra composition.

Whether there was extra work caused by the advertisements or not, did you make any compensation? No.

Was the gift of this free space to enable you to marry? Yes, it was for that object.

Do you produce your account book? Yes.

*By Mr. Jackson*—Were any of the payments for the second property you purchased made out of money from the contracts? No.

*By Mr. D'Emden*—Do not the Government advertisements usually come in late? Yes, in the afternoon.

Would you not have to prepare them immediately for the next day? No, not immediately.

Did you take them home then? They usually came in about 5 o'clock. I initialled them, sent them to be set up, and I entered them in my books the next day.

*By Mr. Lewis*—Were these advertisements set up by your father's Compositors, then, free of cost? Yes. (Evidence having been read over.)

I wish to add to a previous answer as to the papers supplied to Government in explanation of how I was to make up the difference to Mr. Davies. I should have had to pay £4, and Mr. M'Millan 16s., but Mr. Davies never pressed the claim.

Witness then withdrew.

HENRY BEST *sworn and examined.*

*By Mr. D'Emden*—What is your name? Henry Best.

You have been connected with newspapers for many years in Hobart Town? Since 1836.

Were you ever proprietor? Yes, and part proprietor with my brother.

Irrespective of the money value of the work, is there any benefit from the publication of Government advertisements? Most decidedly, in an indirect manner.

Of what do they consist? Increased circulation.

Would that be the case if the paper were the only one published? Yes, people must take a paper containing them.

Witness withdrew.

DONALD M'MILLAN *sworn and examined.*

*By Mr. D'Emden*—What is your name? Donald M'Millan.

Have you had experience with newspapers in Hobart Town? I was proprietor of one for nearly four years.

Apart from the price of the work, is there any advantage in having a monopoly of the Government advertisements? Yes, I think a proprietor would have increased circulation for his paper, and also increase his advertising.

Does the possession of the monopoly necessitate an increase of circulation? Many persons take a paper chiefly for these advertisements.

Is there not often much competition for these advertisements? Yes.

Did you tender under your usual rates? Yes, considerably under.

Did you think that the indirect benefits you would derive would compensate for inserting them so much lower than the usual rate? Yes.

Did you and John George Davies tender for the public service for 1870? Yes; the letter marked "D." is the acceptance of that tender.

Was that tender made in concert with Mr. John George Davies in consequence of an arrangement? It was made by an arrangement with Mr. John Davies.

Who suggested it? I think Mr. John Davies did. There had been a previous tender not taken up, Mr. Allen's, and fresh tenders being called, I had a conversation with Mr. Davies about the call for tenders. He said, "I see you have not taken up Allen's tender." I said, "No;" when he said it would be much better for us to agree between us, and not cut one another's throats by tendering one against the other. He proposed that we should tender jointly at 1s. 6d. per inch, the advertisements to appear in both papers. I took time to consider, and ultimately agreed to his proposal. He said "we," but I understood him to mean the *Mercury* Office. The tender was sent in signed by myself and John George Davies, and I think Mr. John Davies signed as a surety for its due performance by both parties. Mr.

Davies had explained to me, he could not tender himself. He said that the tender for 1868 he had given to his son George to buy a house, and that the tender for 1870 he was going to give to his son in Melbourne, who was about to be married, to furnish his house with.

When did you see John George Davies first in the matter? On the morning on which the tenders were to be sent in.

With whom were all the preliminary arrangements made? Mr. John Davies.

How much did you receive out of the 1s. 6d. per inch? One-half. John George Davies went with me to the Treasury, and we jointly signed the receipts, drew the money, and divided it equally. I never saw Mr. John Davies in the matter from the commencement of the contract until the end. We took the cheque to the bank, and John George Davies and I each endorsed it, and the cheque being cashed the proceeds were equally divided.

In the conversation with Mr. Davies did you speak of the tender as *his*? The whole conversation was "your tender" and "my tender;" but I was aware all the time that John George Davies had sent it in.

Witness then withdrew.

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A.

**Know all Men**, by these Presents that We JOHN GEORGE DAVIES of New Town in Tasmania Printer and Publisher and JOHN WOODCOCK GRAVES of Hobart Town in Tasmania Gentleman are held and firmly bound unto Her Majesty the Queen Her Heirs and Successors in the sum of One hundred Pounds for which payment we bind ourselves and each of us binds himself for the whole and every part thereof our and each of our executors administrators and assigns firmly by these Presents Sealed with our Seals Dated this eleventh day of July one thousand eight hundred and seventy-one.

**Whereas** the Board of Tenders at Hobart Town aforesaid has accepted the Tender of the above-named John George Davies for the insertion of the Advertisements for the Public Service of the Colony of Tasmania (including those from the Local Boards of Works) in the Newspaper called *The Mercury* published at Hobart Town aforesaid for the period of Three years from the first day of January one thousand eight hundred and seventy-one to the thirty-first day of December one thousand eight hundred and seventy-three (both days inclusive) at the rates hereinafter mentioned and it has been agreed between the said John George Davies and the said Board that it shall be lawful for the said Board to put an end to the said Contract at the end of Two years from the commencement thereof by giving Three calendar months notice in writing to the said John George Davies his executors or administrators **And whereas** the said John George Davies has been required to give security for the due performance of his said Contract and the said John Woodcock Graves has consented to become security for the said John George Davies **Now the condition** of the above written obligation is such that if the said John George Davies his executors or administrators do and shall during the period of Three years (determinable as aforesaid) from the first day of January one thousand eight hundred and seventy-one to the thirty-first day of December one thousand eight hundred and seventy-three (both inclusive) print and publish or cause to be printed and published in the said Newspaper called *The Mercury* all the Advertisements herein specified at the rates of payment following that is to say **First—For ordinary Advertising**—For the first inch and every succeeding inch or fractional part of an inch at the rate of One Shilling per inch for each insertion **Second—For Claims to Grants of Land**—(to be inserted in Three successive issues of the said Newspaper) Eighteen Shillings per claim for Three insertions **Third—Under the Real Property Act**—(to be inserted in Three issues of the above Newspaper during the course of one month) Four Shillings each insertion For extra insertions of the same Four Shillings each **And further** that if the said John George Davies do and shall cause all the said Advertisements to be set close and in the customary type and to be inserted consecutively in the last page of the said Newspaper and with the heading "Government Advertisements" (to be printed without charge) above the first of the said Advertisements **And further** do and shall furnish Two copies of every issue of the said Newspaper to the Office of Stores in Hobart Town and a copy of every issue of the said Newspaper containing Advertisements respecting Crown Lands to the Commissioner of Crown Lands and Two copies of every issue containing Advertisements for Claims to Grants of Land by the Supreme Court of Tasmania to the Clerk of the said Court And do and shall furnish One copy of every issue of the said Newspaper to the Recorder of Titles and cause all such copies to be furnished free of charge and do and shall in all things fulfil and perform the agreement hereinbefore contained and observe the various particulars set forth in the Invitation for Tenders issued by the said Board and dated the twenty-eighth day of November last past then this obligation shall be void and of none effect otherwise to remain in full force and effect.

Signed sealed and delivered by the within-named

J. G. DAVIES.

J. W. GRAVES.

Witness to the signature of J. G. Davies.

C. H. HUXTABLE.

Signed sealed and delivered by the within-named John Woodcock Graves in the presence of

W. T. GILL, Clerk to the Crown Solicitor Hobart Town.

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## B.

*To the Chairman of the Board of Tenders, Hobart Town.*

SIR,

I, JOHN GEORGE DAVIES, of New Town, Tasmania, hereby offer to advertise in the Hobart Town *Mercury* newspaper, under the terms and conditions of your Advertisement, dated the Thirtieth day of November, and published in *The Hobart Town Gazette* of the Seventh day of December instant, from 1st of January, 1870, to 31st of December, 1870; and hereby engage to cause the Advertisements required on behalf of H. M. Colonial Government in Tasmania to be inserted in the *H. T. Mercury* newspaper as may be ordered.

For the first inch, and every succeeding inch or fractional part of an inch, at the rate of 6d. (Sixpence) per inch each insertion.

For claims of Grants of Land, to be inserted in three successive issues of the above newspaper, Nine Shillings nett (each claim, three insertions).

For Certificates of Titles on Grants under "The Real Property Act," to be inserted in three issues of the above newspaper during the space of one month, Three Shillings each insertion. For extra insertions of the same, Three Shillings each.

With regard to the circulation of the *Mercury*, it is very far beyond that of any other Tasmanian Journal,—being about 3000. To verify this, the books are open to the inspection of any officer whom the Government may choose to appoint for that purpose.

J. G. DAVIES.

In the event of the above Tender being accepted, I, John Woodcock Graves, barrister and solicitor, of Hobart Town in Tasmania, engage to become Security for its due performance.

J. W. GRAVES.

## C.

*Commercial Bank of Van Diemen's Land, Hobart Town, 17th December, 1870.*

PLEASE pay Commercial Bank the whole of monies that will be due to me from January 1st to December 31st, 1871, under my contract for advertising in the Hobart Town *Mercury*.

J. G. DAVIES.

*The Colonial Treasurer.*

## D.

*Office of Stores, Hobart Town, 18th January, 1870.*

GENTLEMEN,

I BEG to inform you that your tender has been accepted to publish the Government advertisements for the year 1870 in the *Mercury* newspaper on the following terms, and subject to all the conditions specified in the invitation for Tenders for Advertising, signed by the Chairman of the Board of Tenders, dated the 11th January, and published in the *Mercury* of the 12th instant:—

1st. For advertising general advertisements, one shilling and sixpence for the first inch and every succeeding inch or part of an inch for each insertion.

2nd. For claims to grants of lands in three successive numbers at eighteen shillings per claim.

3rd. For claims for certificates of title and grants under "The Real Property Act" at twelve shillings for each claim for three insertions, and extra insertions four shillings each insertion.

All advertisements published in the *Mercury* as above to be inserted in the *Tasmanian Times* gratis the same number of times that they respectively appear in the *Mercury*.

I have the honor to be,  
Gentlemen,  
Your most obedient Servant,

THOS. D. CHAPMAN, *Chairman of the Board.*

*To Messrs. J. G. DAVIES and D. M'MILLAN, Hobart Town.*