

Book on Murray Gleeson sheds light on Fine Cotton comedy

Max Presnell

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Perhaps cross-examination by Murray Gleeson, a legend of the Australian legal system, sheds light on Bill Waterhouse's role in the Fine Cotton comedy of errors.

Waterhouse, a betting-ring giant, has been cast by some as an innocent bystander, far too clever to be involved in such a mug's caper.

However, Gleeson unravelled the relevance of "blinking", regarding the bookmaker, in *Murray Gleeson – The Smiler* (The Federation Press), by Michael Pelly.

In a legal career spanning 50 years, Gleeson had a ringside seat for the political, legal and social events that shaped Australia as well as the "Fine Cotton substitution".

Hardly a punter, Gleeson came into serious racing in 1983 when jockey Bruce Compton and Ernie Smith, stable foreman for champion trainer Tommy Smith, were suspended for six months.

Chief steward John Schreck was on the boil over riding tactics, claiming the favourite was given no chance. Both appealed.

Smith had Michael McHugh, QC, a regular racegoer and AJC member, in his corner and the Australian Jockey Club engaged Gleeson, looking for another heavyweight.

Smith beat the rap but Gleeson obviously impressed, being offered a retainer – first claim on his services in any action involving the club.

"A year later Gleeson was immersed in one of the biggest horse racing scandals since the AJC was founded in 1842 – the Fine Cotton affair," Pelly wrote.

"At the centre of the furore were two of the biggest bookmakers in Australia, Bill Waterhouse and his son Robbie."

Pelly is well versed on turf, media and the law, being a LL.M. (UNSW) after cutting his teeth on racing details with New Limited, doing form cards for Michael McHugh, and subsequently being a *Sydney Morning Herald* news editor.

McHugh is regarded as one of Sydney's most astute punters and as comfortable in the Randwick betting ring as on the High Court Bench.

Bill Waterhouse, of course, was a barrister before turning bookmaker in 1954.

"He was taking bets on interstate meetings on August 18, 1984, when Fine Cotton was sensationally backed to win a minor race at Eagle Farm," Pelly related.

"On form, Fine Cotton had no chance. Some bookmakers bet 20-1 in Sydney and punters were still taking 6-4 at Warwick Farm at the start."

The action prompted bookmaker Mark Read to comment: "If this isn't a ring-in I'm not here."

Another quote used by Pelly came from a racing journalist, Max Presnell: "I'd say a minute after the race somebody said to me Fine Cotton is Bold Personality and the Waterhouses are involved in the betting."

After growing pressure the AJC ordered Schreck to investigate possible involvement of people licensed in NSW. Anyone

found to have prior knowledge faced lengthy bans.

"Soon after Schreck was at a party at T.J. Smith's house at Point Piper talking to Bill Waterhouse ... 'He was saying to me how ridiculous it was and how the people involved must be clowns ... I just listened. It went through my head, keep talking, there might be something I can use later on'," Pelly explained.

Pelly stressed the Schreck opinion: "It was beyond credibility to believe the Waterhouses had no prior knowledge of the swindle," and "of all the witnesses, Bill Waterhouse fared the worse."

Gleeson focused on him "blinking" the odds about Fine Cotton, and produced quotes of the hearing from the AJC archives. (Blinking the odds is to not display the horse's price on the bookmaker's board thus not taking bets on the horse).

Gleeson: I think you said you blink the odds for a second or two.

Waterhouse: Yes.

Gleeson: I am talking about you blinking the odds for 10 minutes or so. Have you ever done that before?

Waterhouse: I cannot recall offhand.

Gleeson: Would you describe your action in blinking it for a substantial period of time, like 10 minutes or so, as being highly unusual.

Waterhouse: Yes, highly unusual.

On November 30 the committee warned off eight of the nine, including Bill and Rob Waterhouse, that Schreck claimed had prior knowledge of the scam.

Read had been a target, "a suggestion of payback", Pelly claimed.

"The previous Saturday Read had pulled off a nationwide betting plunge when High Signal won in Sydney, firming from 10-1 to 5-2 and strolling in by 6.3 lengths," he explained. "It was estimated the gelding took a million out of bookmakers' bags with Robbie a significant loser."

(Robbie Waterhouse later said Gary Clarke had passed on \$40,000 to back Fine Cotton and he had added another \$10,000 of his own. Bill Waterhouse always denied any knowledge of the Fine Cotton ring-in.)

Being scrupulously fair Pelly gave *The Smiler* manuscript to Louise S.R. Waterhouse, daughter of Bill and honorary consul to Australia of the kingdom of Tonga, for perusal.

Being the protector of the Waterhouse brand, lengthy emails, covering foolscap sheets of suggestions, prompted Pelly to reply: "You seem to be asking a little much."

This story was found at: <http://www.smh.com.au/sport/horseracing/book-on-murray-gleeson-sheds-light-on-fine-cotton-comedy-20140530-zrscf.html>