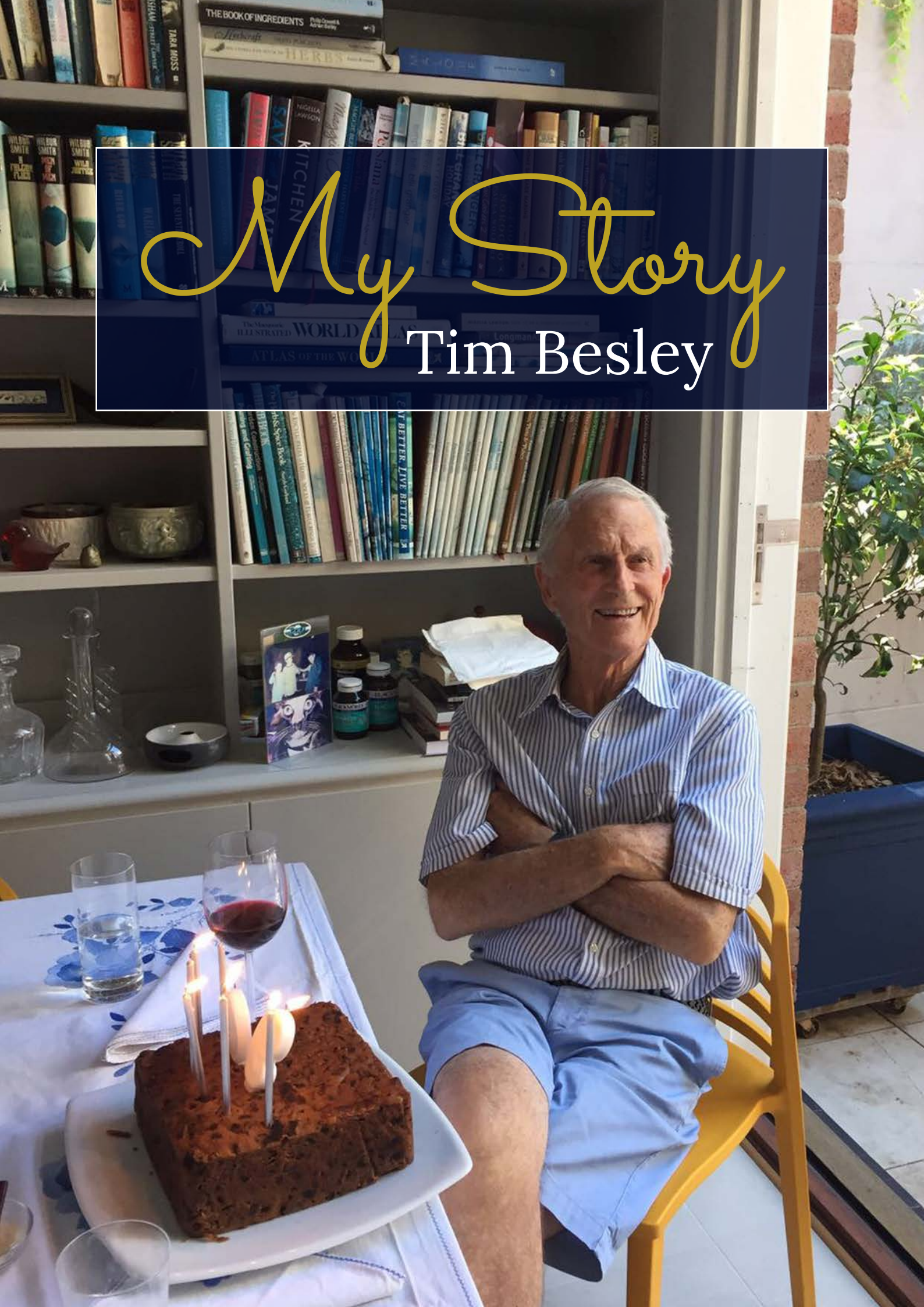


My Story

Tim Besley



Dedication

*I dedicate this
book to my five
children who I
love and of whom
I am very proud.*



L-R: Rod, Hugh, Me, Alice, Grant and Trev

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Introduction

In talking with family and friends over the years I have said that I felt lucky to have had such an interesting life. This has prompted some to suggest I should write about it. I thought about it every so often and finally decided to do something.

The catalyst was a 90th birthday present from Hugh and Alice. It was a MacBook Pro with dictation-enabled software. I began slowly and over the past two years or so I have sought to dictate some recollections of my life looking back 90 years plus.

These are my memories.

Tim

Section 1

New Zealand

Early years

I was born in New Plymouth New Zealand on 14 March 1927. I am the oldest of a family of four boys. David who died in 2009 was three years younger than me, Ian three years younger than David, and Bryan two years younger than Ian. Bryan died in 2019.

And now, 90 years later, I thought it would be fun to jot down a few memories about my early years, friends, school and University years and the interesting jobs I've had in Australia.

I've had a lot of luck some successes and some failures also made some mistakes. I would like to think I've learned from these experiences.

My parents

My parents (Hugh and Isobel) owned a farm at the back of Stratford, a small town even now, approximately halfway between New Plymouth and Hawera, near the geographic centre of the Taranaki Region in New Zealand.

Their farm stretched from a little village called Tepopo to another small settlement named Ratapiko. It had been owned by my Mother's parents and I'm not sure on what terms was passed over to her and dad. It was just over 1000 acres and it ran Romney and Southdown sheep and Angus cattle. In later years Dad experimented with Dorset Horn and Lincoln sheep.

For the first few years of my life I lived on the farm and David was born during that time. In those early years I had a sort of rag doll which I called Beauty Eyes which I dragged around with me where ever I went. It eventually got rather grubby so my parents decided it should be ditched. I wasn't particularly happy about that as I remember, and was told I should go outside and watch Beauty Eyes go up in smoke out the chimney. I did this and saw smoke and I still remember I had mixed feelings.

Looking back though I think I began to learn then to control my emotions and to put things into boxes and shut the lid. I'm sure I wasn't aware of having that as a skill at that time and it really only dawned on me years later that it is quite a useful skill.



Mary-Jane and Hugh



L-R: David, Frank Besley, Hugh, Me, Isobel.

My grandparents

My grandparents had different backgrounds. Dad's, Gran and Grandad, lived on a farm just south of Patea in Taranaki and Mother's, Ah-Ha and Nan-Nan, in a large house in New Plymouth. They owned other property including land.

Gran and Grandpa's house was two storey, simple in layout with a rather narrow squeaky staircase leading to the three bedrooms upstairs. It had an internal bathroom but the toilet was outside in the trees down a small pathway. If one went to it, the usual expression was "I'm going down the path".

Mother's parents' house occupied three or possibly four regular building blocks in New Plymouth. It had a croquet green, a very large garden, a big chook house, double garage and a wonderful Pohutukawa tree large enough for two or three of us to climb up into its bowl. They had a great gardener – an Englishman who was known to all of us simply as Bell. He used to spend hours raking the gravel paths making sure weeds didn't grow so that the paths looked in a pristine condition. The house had a large dining room in which the equally large dining table could be converted to a full size billiard table. There was a sitting room, large drawing room, telephone room and an enormously big kitchen and scullery. Leading off the verandah outside the back door was a large coal storage bin, a laundry, another storage room and a toilet. Halfway up the stairs was a mezzanine level. It had a toilet, a bathroom and a maid's room. Up the second flight of stairs there were four bedrooms and a very large balcony looking out onto the garden. Ah Ha, Mother's father, came to be known by that name because his oldest grandchild, Margaret, and he used to play games peeping round corners and when they saw one another they would exclaim 'Ah-ha I see you!'

My uncles and aunts

Dad (Hugh) was the oldest in his family and had two sisters (Molly and Marjorie) and a brother (Sid).

Molly was the second oldest and she married John Alexander. They lived on a farm near Maxwell and were successful Romney sheep breeders. They also bred racehorses and had two good stallions Coronach and Neptune. The stud fees were very good as I understand it. Uncle Jack as we called him, didn't race many horses on his own account but he had one, Davey Jones which won the Doomben 10,000 in Brisbane in 1952. They had two children Jocelyn and Michael. Michael was very early into helicopters and as his father said he was probably ahead of his time.

Marjorie, the third child, or Aunty Pat as we called her married Brian Horner who became the Surveyor-General of Malaya. They lived there for many years and their son Ian did his schooling in New Zealand.

Sid the youngest married Clara Walker. Uncle Sid was my Godfather. They lived on a farm in the Waverley district and had four children. Tony, Suzanne, Rodney and Clara.



Bill at the rear and my mother second from left

Uncle Sid unfortunately died in his 30s. He lived at a fairly fast pace in the South Taranaki and Waverley districts and that may have been a factor. I fondly remember him trying to teach me to drive his old crash gear truck across his farm and it wasn't a great success.

I also remember a game of euchre in which I partnered with him. He used to play regularly with three of his friends, I suspect sometimes for money, but on this occasion his partner was not available so I was the fill in. I was dealt a fantastic hand with the right and left bowers and two other high-ranking cards. When it came to the bidding round they were all surprised when I said I would go it alone. I think Sid was quite shocked. But alone I went and I took every trick. Sid thought that was pretty good and so did I.

Gran (Dad's Mother) and I got on very well. I spent many school holidays there and we used to walk around the farm picking mushrooms, grubbing thistles and going down to the river where very occasionally I'd catch a fish. Gran could drive a car but often chose to walk the four miles from the farm into Patea. I did the walk a few times with her. I remember she took me to Rotorua on my

ninth birthday. We visited many of the local attractions and I fell madly in love with one of the waitresses. I remember writing to tell my parents about that and spelled her name Evon rather than Yvonne.

Mother had four siblings, her twin sister Jessie, two other sisters Jean the second oldest and Clara the youngest, and her brother Bill who was the oldest.

Except for Jessie who became a doctor they were 'on the land'. Bill lived in the Taranaki district where Dad's family lived, and the other sisters, in the Waikato. I had more to do with Uncle Bill and his family than I did with Mother's other siblings. Jessie had an influence on my life in my very early years and when I was at University.

Bill and his wife Ira, who was my godmother, had five children; Alec, Margaret, Ross, John and Anne. Alec fought in Europe in the Second World War and was the only one of my cousins who went to the war. The others were all too young.

I spent a number of happy holidays with cousins Ross and John. The family had two farms – the homestead farm was known as The Bent and the other as The Desert. The Desert was close to the beach and the sand dunes contained large quantities of Taranaki iron sand. This was licensed to a subsidiary of NZ Steel which used it as a feedstock for their operations. The family did quite well out of that in later years.

It was from Ross and John that I learned to roll my own cigarettes. I was never a heavy smoker but it wasn't until I was in my late 30s that I gave it up completely. One quite interesting thing the three of us did, in our early teens, was to drive a group of some 20 two-year-old steers from The Bent farm to the sale yards in Patea, a distance of almost 17 kilometres.

We set off on horseback, one at the front one at the rear and the third watching the flanks. We had two dogs with us. It was a coolish but sunny South Taranaki day and all went well until we were about halfway there which, as it happened, was just past the entrance gate to my Grandmother's farm. Something frightened the cattle and one of the steers jumped across a cattle grid into the property next to my Grandmothers. This called for a pretty tricky retrieval operation. We had to get our beast out without taking one of the property owner's herd with it and without causing a panic on either side of the road fence. We managed to do this and justifiably I think, felt pretty proud of our efforts. I have often thought since, that Uncle Bill was giving us quite a bit of a test.

They were horsey family and I did much riding there. One of the horses was an ex (and not a very ex) race horse named Erebus. They put me on him on one occasion gave him a slap on the backside and off he took. He had a hard mouth and I was unable to stop him but the horse knew when it wanted to stop which was when we came to a gate, it did and I kept going. No real damage other than to my pride. My cousin Anne owned Kiwi which later won both the Wellington Cup and Melbourne Cup in 1983, the only horse ever to have done so. He is also remembered for coming from last in the field to win the latter race.

Jean, Mother's oldest sister, had three children, Marie, Finlay and Clara.

Jessie the twin sister and her husband Leslie Burnett, who was also a doctor, had a daughter Barbara and two sons, Allen and Melville. Jesse and Leslie practised in Hunterville (halfway between Taupo and Wellington) for a number of years. Leslie unfortunately had a stroke in his late forties after which they moved to Wellington. I remember having a holiday in Hunterville with them.

The youngest sister, Clara, had a large family – eight children – John, Peter, Jeanette, James, Alex, Charles, Ken and Graeme.

My father Hugh

Dad was a hard father in so many ways. He had a leather strap with tails which he would use on us boys if he thought it was a reasonable thing to do in the face of misbehaviour. He was keen that we should all develop a good work ethic and in that I think he was very successful. He also wanted us to be confident in our abilities and not to be afraid to give it a go. He made us learn Wintle's poem "Thinking" (that later became known as "The man who thinks he can") and to note carefully the message it had. I can easily recall the first and last verses.

***If you think you are beaten, you are
If you think you dare not, you don't
If you'd like to win but you think you can't
It's almost certain you won't
Life's battles don't always go
to the stronger or faster man
But sooner or late the man who wins
is the man who thinks he can.***

There is certainly a lot in that poem.

He didn't have a great deal of education but had a fine incisive mind and in some ways was a bit of a frustrated inventor. He saw the benefit of the concept of a vibrating roller for roads and mentioned it to me as we crossed over a road filling on a culvert which had sunk. This was many years before the construction industry came up with the idea. He was handy with tools and I remember he made a toaster frame from No. 8 fencing wire to hold a slice of bread on the long handle which could be pushed up close to use the heat from an open fire.

We went through the Depression in the early 30s and I remember Dad telling me he was storing the wool until the price moved above 3p a pound. It did of course move rapidly at the onset of the Second World War although I'm not sure when his stockpile was sold.



My father as a young man

My mother Isobel

Mother came from a very different background. She went to boarding school not far from New Plymouth with her twin sister Jesse for a time. I understand it had many students from large farms in the district.

I never learned how she and Dad met. She was a strong woman, loved gardening and from all accounts was a very good bridge player. She also acted as a kind of mother hen to the young female golf team from Ngamoto Club just to the north of New Plymouth.

She was very supportive of me. I have clear memories of her helping me with my

homework and in particular to be a better speller by pointing out for example that kitchen with which I had great difficulty, is a kit and a hen with a 'c' in the middle. She also had a big influence on the direction my education took.

My brothers, David, Ian and Bryan

David

David always said he wanted to be a writer. His first job was as a junior reporter for the Taranaki Daily News. He moved on from that and took on dairy farming, leasing a property on the Pukearuhe Road, some 40km north of New Plymouth. He married Paddy who was a nurse and they had four children, two daughters and two sons. Their marriage gradually disintegrated and they divorced.

David was a restless soul and not particularly successful in his relationships with women. He went through a succession of four additional marriages. From dairy farming David turned his hand to real estate and retaining an interest in the land bought a property on Coromandel Peninsula near Hotwater Beach just south of Mercury Bay on which he ran cattle and sheep. He had for a number of years an ambitious goal of farming Paua and in later years set up an operation on his Hotwater Beach property. Although it did produce some quite good Paua the operation for a number of reasons failed. David's health had never been robust and he died of cancer in 2009.

Ian

Ian was, and is, a good farmer. He married Gwen and they have four children two daughters and two sons. Ian managed the Rataipiko end of the family farm which Dad had kept after selling off the Tepopo end

to settle his and Mother's affairs when their marriage ended. Part of the deal was that Ian had to pay regular income to Mother. I was never aware of the details. Bryan was also involved with running the farm. They were a good combination. Ian was particularly good with stock and Bryan was very good with farm machinery. As is sometimes the case with brothers working together this didn't work out long-term and Ian ran the show on his own. He built a nice house with tennis court and had a good circle of friends in the surrounding district. He later moved to acquire the Wilkinson property at Pukearuhe and built a house there close to the beach. He and Gwen still live there.

Bryan

After he left Rataipiko Bryan went to manage the paternal Grandparents' property The Grove at Whenuakura. He was there for a number of years and then went to work for Newton King Ltd. He married Janet and they had two daughters and for time they lived in a property they owned on the Coromandel Peninsula. They later divorced. Bryan became an artificial insemination expert and was involved with the shipment of cattle by air from England to New Zealand. He talked briefly about babysitting them in-flight. He loved flying and acquired a pilots' license and a small plane and did a few trips around parts of the North Island of New Zealand. He was a keen volunteer fire fighter and at one stage owned a rather spectacular old red fire engine which was no longer in service. He has done many things and in more recent times was a part time school bus driver. He lived in New Plymouth and had a partner also named Janet. His health was not the best over the last few years and he died in 2019.

My education

My first schooling was at one teacher school in Tepopo. I used to ride a horse six kilometres to school and was accompanied by the daughter of one of our neighbours, Gwen Agent, who was a few years older than me. On one occasion I either forgot to take my lunch or lost it on the ride to school. The teacher who was a kindly man offered me one of his sandwiches for lunch and to this day I recall it is the best tomato sandwich I have ever eaten.

On one school holiday my oldest cousin Alec came to stay with us at Tepopo. He did two things during that time which stick in my memory. The first was he climbed inside a car tyre and rolled himself down a hill at the back of the house at some speed and crashed into a fence at the bottom, fortunately with no damage to himself. The second is perhaps now tinged with a little romanticism. I was catching tadpoles in a small lake not far from our house and fell in. I don't think it was very deep and probably the only result would have been getting thoroughly wet but Alec happened to be cantering along, saw me in the water, leapt off his horse and pulled me out. He put me in front of him and we both rode the horse back to the house. I felt I had been rescued.

In my first few years I had a lot of stomach trouble. My Mother's twin sister Jessie a young doctor, thought perhaps I was allergic to or could not tolerate cows milk. The family doctor thought she was talking rubbish as everybody knew then, milk was good for children. I was given bread and milk or a soup dish of milk with a penny in the bottom. If I finished the milk I could have the penny. I never did get that penny. Jesse persisted though and I came off milk and my tummy troubles went away.

When I was approaching six years old my father having damaged his back, decided to go in a different direction. He secured a job with Newton King Limited and we moved to Hawera and put a manager on the farm at Tepopo. His name was Fred Vic and he always called my father Mr Besley. Years later he said to me he felt a bit miffed in that Dad had never asked him to call him Hugh. I think Dad rather liked being called Mr Besley. It was in Hawera that Ian and Bryan were born.

The first house we had in Hawera was some distance from school and I used to ride a tricycle along the footpath to get there. Coming home one day one of the bigger boys from school thought he should have my trike. He took it and I arrived home in tears. We retrieved the trike. Dad said to me if he tries it again punch him on the nose. He did a few days later and I did what I was told to do. He never tried to take the trike again. It turned out he was a policeman's son.

After a year or two we moved to another house which was much closer to the school and by then I had graduated to a real bike.

In my early primary school years, I fell madly in love with two girls Peggy Clements and Janet Castleburg. I always tried to take one or even both of their hands as we danced around in a circle for early exercises.

I remember falling out of the tree in the school grounds one day and catching my leg on a barbed wire fence. It bled a bit and I still have a scar on the calf of my right leg.

During those years and later in a more senior classes a group of five of us formed a friendship which lasted for many years. Peter Swinburne became a doctor; Bill Marshall, a stock and station agent; Jim Walker, a vet; Doug Cameron, an accountant; and I became a civil engineer. There are now only two of us left, Doug and me, and we both live in Australia.

We have kept in touch over the years and not long ago I attended his 90th birthday and a little while later he came to mine. He and his wife were the only non-family there. I had what I wanted, just my wife my children and spouses. While married to Nan we had three boys Trevor, Grant, and Rod. Sarah and I have a son Hugh and a daughter Alice.

I can remember a particular adventure the five school friends had. I persuaded the group it would be a good idea to ride down to my Grandmother's farm in Whenuakura a distance of some 32-odd kilometres. We set off and all went very smoothly for a good long way. By the time we got to Patea though, six kilometres from the destination, some of my fellow bike riders were getting a little testy. I managed to keep them going however and we duly arrived at Gran's place. She was of course surprised and I'm happy to say pleased. She fed us and phoned parents to let them know where we were.

Thinking back to the phone system in those days I recall she, like many others was on a party line. Each subscriber on such a line had a particular ring and because it was easy to listen in, quite a few did, so there was often a good bit of general knowledge about what the people who shared the line with you, were talking about.

We rode back to Hawera the next day and all agreed it had been good fun.

The last two years of primary education 1938-9 were at Westtown School in New Plymouth where Dad had taken a new job with the State Advances Corporation. He was known as the District Appraiser and had a lot to do with assistance to farmers.

I played a rugby union for the school and remember vividly playing against a team of large boys from the farms around Inglewood. I was fullback and had been taught to tackle low. One of the larger members of the

opposition charged at me. He could have stepped around me very easily but chose to maintain course. I grabbed him around the legs and held on tightly, he fell over my shoulder and it stopped him. Other than a little bruising I was none the worse for wear and I did get a good mark from the rugby union coach. We lost that game though.

During those years at Westtown I learned to play the banjo mandolin. My music teacher was very versatile and could play many instruments which he also taught. He put a few of us together in a band. I recall that on one occasion when we were playing for the prisoners in the local jail one of my strings broke. The inmates thought this was part of the show and cheered wildly. I was a little embarrassed. On another occasion two of us, both banjo players, gave a small concert at school.

Extra curricular activity at Westtown school

While at Westtown School I entered the gardening competition for each of the years I was there and also the calf rearing competition. In the first, all competitors were required to plant a specific list of seeds and the crop was judged on its quantity and quality. In many respects I suppose I had an advantage as I was able to bring in bags of sheep manure from under the wool shed at the farm. I turned this into a rich liquid manure solution and applied liberally once the seeds had germinated. Each year the results were quite spectacular and I received a certificate of commendation.

The calf rearing competition did not have many entrants and on the day of the judging it was necessary bring the animal to school. To prepare for the judging the calf needed to be brushed and groomed generally for the occasion. This meant the calf needed to be trained to stand quietly while being brushed

up and to accept a lead and in most cases including mine a longish lead along the footpath to the school. As I remember it there were around 10 entrants and I think we all received a certificate.

I also enjoyed going into the cooking and decorating section of the small show in the Westown hall. My floral efforts left much to be desired but I'm proud to say that I won the scone making competition. I used my mother's recipe which involved the addition of a little cream in the mix before shaping and putting the scones into the oven. My three brothers and I at appropriate ages were taught basic cooking skills and I've enjoyed trying my hand at it ever since.

New Plymouth Boys High School (NPBHS)

I went on to New Plymouth Boys High School in 1940 and had five years of secondary schooling there. I started in Form 3EP which stood for engineering professional and not into the vocational stream. This was largely due to my mother's urging. She spent a lot of time helping and encouraging me during my school years.

The school was proud of its First XV rugby union team and strongly supported any home games in the annual three cornered battle between us, Auckland Grammar and Nelson Grammar. We were particularly proud too in the time I was there as the School produced two All Blacks, Roy Roper and George Beatty. George's brother Des was at Rolleston House, Canterbury University at the same time I was. He was also studying engineering as was David Binns another student from NPBHS.

School Cadets

Like every large school in New Zealand, NPBHS had a Cadet Corps. We had a battalion parade once a month and performed a few

regimental style marching exercises on the top quadrangle. There were no officers in the cadets other than the battalion commander who was one of the schoolteachers. In my last year at school I was a platoon sergeant. I recall thinking at the time that if the battalion had been lined up from tallest to shortest I would have been pretty near the short end. I didn't grow much in height or in weight until I went to university.

On occasions we went to camp at an army barracks. I recall one particularly cold winter school holidays when we went to Waiuru Military Camp not far from Mount Ruapehu and the other mid-North Island mountains. It was freezing cold and on one morning we were taken for an early, quite lengthy route march. We carried our rifles, the old Lee Enfield model, and it seemed at times as though the butt would freeze onto the palm of our hands!

One of the more exciting things we did was some target shooting. I did reasonably well and when I told Dad about it he thought it would be a good idea for me to join a small bore rifle club in New Plymouth and he arranged it.

We used to meet weekly in the basement of building in the Main Street of New Plymouth and shoot at an extremely small target with 22 calibre target rifles. The bull was just big enough to fit a bullet in without breaking the circle. I did quite well and on a number of occasions scored a "possible".

Dad subsequently bought me a 22 rifle of my own and I enjoyed many occasions shooting rabbits, possums (imported from Australia many years ago and with no natural predators had become a pest and were therefore not protected in New Zealand), and wild goats with my trusty 22 rifle. Dad was very strict on weapon safety and security and he taught us all well in that regard.

Our New Plymouth house

We lived in a large house on three acres of land at 151 Tukapa Street, Westown. It had a tennis court and a large vegetable garden which needed a lot of attention. We had a dairy cow and it was my duty to milk her every morning, separate the milk and, from time to time, churn the cream into butter.

The house had four bedrooms upstairs and another two downstairs, a small sitting room, large dining room and a large kitchen. The pantry was also pretty big. It had a wood fired stove which heated the water, a bathroom upstairs and a single lavatory downstairs. Below the dining room there was a workshop and storage area where we used to keep the wood for the fires. There was a two-car garage separate from the house with a cow bail attached to another small shed where I kept and painted my bike.

To get wood for the fires we cut down one of the pine trees on the boundary and had it sawn into fire length logs. Quite a number were pretty big and I learned to use a log splitting gun to manage these. You filled it up with gunpowder drove it into the end of the log inserted and lit the fuse put a sack over the gun and retreated to a safe distance. Some of the results were quite spectacular.

Although there was always plenty of work to do we would very occasionally sit on the front step with Dad and use his Webley air pistol to try and shoot a penny off a peg about 10 metres away. The pistol packed quite a wallop and would send a slug through an empty kerosene tin at about that range.

The farm

During my years of schooling in New Plymouth particularly the high school years my brothers and I spent a lot of time on holidays and weekends at the farm. I think Dad was

keen to keep us out of New Plymouth, even to play sport and away from girls. I think he must have thought I might develop a wandering eye as I came to discover later, he had very much himself.

We planted hundreds of trees on the farm, mostly pine and eucalyptus but there were a few ornamental trees especially along the river behind the woolshed and stockyards. Dad called it the park. I remember this miffed Mother a bit and she often said he took no interest in the garden around the house in New Plymouth.

Years later when Ian was running the farm at Ratapiko he used some of the wood from trees we had planted years before.

We rode horses and each of us had our own. I well remember the day when David and I went to pick up our horses from the farm where they were being broken in. We planned to ride from there to Ratapiko. My horse for some reason took an instant dislike to me and gave me a fair kick in the backside so we left them then, but went back later when they were in fact properly broken in and did ride them to our farm.

I called my horse Ozzie Ra, Ra for short, and David called his Snowy. I never rode my horse in a show but did ride a farm horse called Patches. She was a piebald. I remember Dad saying I looked like a woman knitting when I rode because of the way my elbows were flapping in out. I didn't win any ribbons at the show. We would often have races on our horses usually on what was the hay paddock and that was great fun.

Apart from tree planting we did a lot of other work. Two of the busiest times were when the lambs were weaned from their mothers and at hay making time.

Mustering and lamb weaning day was a long one. We started at daybreak with a

break for breakfast around seven and finished the day around six. It was my duty to cook breakfast and I remember getting into trouble on one occasion when according to Dad I overcooked the bacon. It was nice and crisp like I like it but didn't suit Dad's taste. In the evening I used to be in bed early and it was pleasant listening to the lambs calling to their mothers and their mothers calling back to them.

Hay was made each year in an area we called the middle yards. There were no tractors then, it was literally horse power. My first job was leading the stacker horse backwards and forwards as hay was picked up in the grab and put onto the stack. It was rather boring and by the time the hay was all in, the stacker horse and its leader had worn a very visible track. It was nice to be out in the open air when the weather, as it usually was at that time very good. From the stacker horse I later graduated to driving the hay rake and then the tumbler sweep. It was hard and healthy work.

Dad was very keen on pasture improvement. For this purpose he had a small airstrip built on one of the high spots from which a great deal of aerial top dressing was done. Many tons of superphosphate were used. Reflecting on this and remembering how the rivers changed character over the years I think perhaps Dad was a little heavy handed in the application of fertilisers.

Trout spearing and Christmas lambs

During those years when we spent quite a bit of time working on the farm we enjoyed a few special nights when we went spearing trout in one of the two rivers, small creeks actually, which ran through the farm and which joined together about half way across the property. We would go out with a good lantern and some pitchforks which had been shortened and sharpened and spear a few

brown trout. We did this with Dad and usually the other employee Jack Francis who lived on the Ratapiko end of the farm in a small cottage.

Every Christmas Dad would kill and dress six lambs and we would then deliver various cuts to friends in New Plymouth. I was Assistant Butcher and assisted with the distribution. I simply observe that this was much appreciated by the recipients. In this process Dad taught to me to kill, skin and dress a carcass.

Pukearuhe

While working in New Plymouth Dad came to know C A Wilkinson ('CA') who ran a large hardware business. I think Dad was one of his good customers. Apart from his home in New Plymouth CA had a property at Pukearuhe up the coast from New Plymouth. It was in the white cliffs area although the cliffs are actually made of papa clay which is grey. I carved my initials in the clay on one of our holidays and on later visits I found they were much higher up the Cliff or almost buried as the sand level varied with the seasons and the tides.

During the Depression years CA had built a large house on top of the cliffs. It has seven bedrooms and an enormous fireplace in the living area. The structure is built around a courtyard garden. It was designed by a well-known New Zealand architect Chapman Taylor.

Down at beach level there were two small cottages which CA let our family stay in from time to time. I can remember spending parts of some school holidays there. We were not allowed to go up to the house which became known as The Castle but were aware that leading up to the house much terrace work had been done and there were lots of native trees planted. There was also a large whalebone which had been found washed

up on the beach. It was an exciting area for four boys to be in with fishing, walks along the beach and getting mussels from the rocks. I remember how excited I was when fishing from the top of the cliffs slightly further north than The Castle I hooked and managed to land a quite large snapper and get it safely up the hundred or so feet to the top of the cliffs. From the same spot we used to cut pieces of flax and fire them into the valley away from the sea. Years later when Ian owned the property, and long after the birth of my son Hugh, he joined me in such an exercise and recalled only recently what great fun it was.

Fast forward 50 odd years when CA's son John was running the property it came up for sale. By then many things had happened to our family. Dad and Mother were divorced and half of the farm had been sold to settle their affairs and Ian was running the Ratapiko end of what had been the family farm. He had always liked Pukearuhe area and The Castle. He sold Ratapiko and with a little bridging help from me bought John Wilkinson's farm including The Castle. I was pleased to be able to help Ian because he had been pressured by a group of architects from Auckland who wanted to put money in and take control of The Castle. I didn't think this was very good idea.

The war years, 1939-1945

I was at secondary school and had just started University during the war years. From early 1940 New Zealanders began to recognise and fear the possibilities of attack or invasion first by the Germans and later by the Japanese. Although very concerned at what was happening in Europe it was generally held that we were still far from the danger zone.

But that sense of security got a jolt when stories of the presence of German Raiders in our waters began to filter through. It was

further shaken when towards the end of that year a German ship bombarded Nauru, northeast of the Solomon Islands. The Defence Force galvanised the Home Guard and civilian authorities prepared for the worst.

Before the war the Government had established the Emergency Precautions Scheme (EPS) which became Civil Defence to cope with disasters including Enemy Action. I remember I had an EPS armband which designated me as a Messenger. There were many Messengers most of whom, like me, were Boy Scouts or members of the Boys' Brigade. We all had to have St John's Ambulance first aid certificates.

Blackouts began in coastal areas early in 1941 and street lights were dimmed. I well remember the blackout curtains we put in our bedrooms in our New Plymouth house. Dad was always a "be prepared" man and slit trenches were dug in our orchard and we were instructed on when and how to use them.

In December 1941 tensions were heightened following the Japanese attack on Pearl Harbour. As I now know, but didn't know then because censorship was pretty tight, Darwin was bombed multiple times in February the following year.

There was rationing of some foodstuffs particularly meat as more and more was needed to feed the growing number of troops in South East Asia. Petrol rationing was the thing that hit the public most. At the beginning of 1940 the limit on petrol was from 36 to 54 gallons a month depending on the size of the car. By 1942 the limit was just 9 gallons a month and it stayed at that level for most of the war.

We were probably better off than many in that we had the farm from which we could get both meat and vegetables. We also were able to use the car more than most because Dad had put a coke-fired gas producer on the

running board of our old Oakland and the gas drove the engine.

The invasion fear didn't last for the entire war as two crucial events brought some relief to New Zealanders. In May 1942 the United States Navy got the upper hand in the battle of the Coral Sea and in the following year a decisive victory in the Battle of Midway.

It was in my first year at University that the war came to an end. VE day on 8 May 1945 was followed not long after by VJ day on 15 August. There was conscription in New Zealand during the war and although I received formal call-up when I turned 18, it never got to the point of my having an army medical examination before the war was over.

University life, 1945-1949

I went to Canterbury University in Christchurch to study Civil Engineering in 1945. Again this was largely due to my Mother's urging. Although he never actually pushed the issue I think Dad would have liked me to take on farming. Looking back, I'm sure I would never have made a good farmer even though I enjoyed the times when I was on the farm. My brothers were far more suited to that and indeed that is what they became.

Getting to university was somewhat hazardous. It was a train trip to Wellington then ferry trip across Cook Strait which could be very rough. I was not a good traveller in those days and was easily carsick or seasick. So my practice was to get to bed early on the ferry and I was usually in it before the ship left Wellington Harbour. The ship docked at Port Lyttelton and then there was a short train ride through the Christchurch Hills into the city complete with baggage and pushbike which used to travel up and down with me to and from University. Christchurch being very flat was a great place for bicycles and many the time I gave a girlfriend a double ride home.

Rolleston House

At the time I went to Canterbury University it was located in a city block at the Hagley Park end of Rolleston Avenue. There was a fine hall and collection of other stone buildings which were later severely damaged in the Christchurch earthquake. In the corner of one building there was a plaque commemorating the date on which Rutherford had successfully split the atom.

The Engineering School had well equipped laboratories and at the time Canterbury University was the only university in New Zealand where one could do a full engineering degree. Auckland provided some early years but it was necessary to finish in Christchurch.

Having had five years in secondary education I found first year university fairly easy. This gave me a false sense of security and I did not do very well in my second year. I spent too much time on girls and not enough on study. The girls were nurses and teacher



Me in costume and Marie

trainees both of whose residences were close to Rolleston House. As a consequence of this it took me five years to complete my university degree. In my catch up year I took extra geology and maths subjects and took part in the university's annual play production during which I met Marie Ballin who was a girlfriend for a while and whose family ran Ballin's Brewery.

I also took on a very minor role in the local drama society's production of Aida. I did this purely and simply to earn a little pocket money.

I have to thank my Auntie Jessie for her support at that time. I learned later that she had interceded on my behalf and helped to persuade my parents to let me continue and encouraged me to join in other university activities.

While I was at university I lived in Rolleston House, known amongst students as RH, just across the road from the University. It was actually a collection of six houses and had been started after the First World War for returning servicemen. There were some of them from the Second World War when I arrived on scene. It was self-governing with a President, who in fact was then a returned serviceman.

We had a Minute Secretary, for the regular monthly house meetings and a Treasurer each of which roles I took on for a time during my stay there. I well remember the first set of minutes I produced as they were a dismal failure. They were supposed to be humorous but I had not managed that style. I got into the swing of things however and managed to produce some acceptable minutes for later meetings. The Treasurer's role was not too demanding as there was not a large amount in our account. One of the general duties which we all shared was to get up early to light and stoke the furnace so that there would be hot water for the showers.

Of the six houses House 1 had the dining room and that was where the Matron lived along with a few live-in staff. The Matron's role was to manage the dining room and the house cleaning staff. Houses 2 to 6 were residential houses. Over the years I lived for four years in House 5 and one year in House 6. I shared a room for four of those years and had a single room in my last year there. That room had two entrances one of which opened out on to a verandah. It was close to the billiard room which at times proved a bit of a distraction.

One of the acknowledged rules was that if one was "entertaining" it was not the done thing to interrupt. The penalty was to be carted out and thrown into the Avon River nearby. One of my interrupters was so treated. It was a bit ceremonial and quite often a number of local residents watched the event.

The six houses were next-door to a block of flats. One of them had as tenants two rather striking women and I became quite friendly with one of those. There was a bit of gossip about that amongst fellow Rolleston House members and the flats were sometimes referred to as House 7.

In those days Christchurch was well serviced with artesian water. This was well before the earthquake and the liquefaction which occurred as a result of that. There was a bubbler in a small open tank available and most of us over the years drank a great deal of that good water from the tank.

As well as being close to the University RH was only a 10-minute walk from Cathedral Square at the centre of the city of Christchurch. Our favourite pub was the Clarendon Hotel one side of the square and we used to go there very occasionally for beer at sixpence a glass. On one occasion I handed over a ten shilling note to the bartender for three beers and was given eighteen and sixpence change. I told the bartender this and handed him back 10

shillings. A few days later the same bartender was on our side of the bar. It turned out he was the manager's son and he remembered me as a person who had given extra change back to him. From then on he was a good friend and attended many of our parties bringing along a small keg of beer. Honesty pays.

Rugby football and a little bit of ice skating

I played rugby union at University but not at a very high-grade. I did train with the 1st XV group once or twice and in fact played one game at that level. After football a few of us would gather in one of the RH rooms and play darts. I remember being very pleased one night when I managed to throw three triple 20s.

The hardest game of football was the annual RH match against College House another university residence for the Connon Hall Banner. Connon Hall was the residence for female teacher trainees and it was the duty of the President to start the annual contest by kicking off the first ball. I well remember one rather feisty president who said she was pleased to come and start the game by kicking off the first ball and in fact she would be happy to come round any time to kick all our balls off.

About an hour and bit bus ride from Christchurch was Lake Rotoiti most of which was frozen over during the winter. A group of us went there a number of times and had a lot of fun skating.

Rolleston House reunion, 1987

Sarah came with me to a Rolleston reunion in Christchurch in March 1987. There was quite a large turn up. Two of those I had roomed with, David Binns and Bob Thompson,

both former New Plymouth Boys High School students, were there as well as many others from the years I had lived at RH.

The festive dinner was a memorable event. There was a speaker for the 40s and 50s and for each period of 10 years after up to the 80s. The first speaker covered the time I was there and he gave a fantastic speech which was all in blank verse. I felt a little sorry for those who followed in light of his oratory skills.

While in Christchurch we paid a visit to the engineering school at the University's new, to me, location in Fendalton. I met a group of students and exchanged views with them on now, as they saw it and then, as I did at the old site in Rolleston Avenue. It was rather fun.

From there we flew to Wellington to drive up to Auckland to catch our plane back to Australia. On the way we stopped a Waikanae to see my mother who was in a home there. She had been living with my cousin Barbara and her husband Cam who live in Waikanae, before that. She was in very poor shape and I don't think she really knew who I was. It was very sad to see her that way on my 60th birthday.

From there we kept going up the centre of the North Island passing close to the three mountains Ruapehu, Ngaurahoe, and Tongariro at the southern end of Lake Taupo. We stopped for coffee at Taupo and went on to Rotorua where we stayed overnight. We had a motel room with its own small private hot pool in the back courtyard. After a look around Rotorua including the Pohutu geyser area we headed for Auckland and the plane trip back to Sydney. It had been a visit mostly of highs with a decidedly low spot seeing my mother as she was.

Engineering Society

One of the roles I took on while studying in my catch up year was that of President of the Engineering Society's social club. The two main roles of the President were to organise the tea and biscuits for the regular monthly technical talks and to organise the annual Engineering Society ball. It had a bad track record of always running at a loss which I thought was not good enough. So with a few colleagues I planned my first ball and it made a small profit and for the next few years it continued that way. The Engineers ball was one with a reputation that made it an event to be at.

Annual University sports

Each year there was a sports competition between universities. When it was Canterbury University's turn to host the event, to celebrate the completion of the competition, one of the functions we held was a dance we organised at RH. We needed to round up some partners for male competitors and I called on the services one of my girlfriends at the time, Gloria Spiro who was a nurse. She rounded up 20 of her colleagues and I collected them from the hospital and led them back feeling a little bit like the Pied Piper with a rather special following.

University holidays

In all but one of my university holidays I went back to New Plymouth and there I worked clocking up time for my 6 months practical work I needed as part of my degree, or in jobs to earn some pocket money.

Most of my practical work was done with Swanson Engineering where I learned to weld and gas cut and generally fabricate light steel structures. One of the more interesting jobs was building moving platforms to convey

the raw materials needed to make super phosphate fertiliser. The atmosphere in that factory contained a fair percentage of sulphur dioxide which was wonderful for clearing the sinus. I had another job in a manufacturing plant making small pumps.

For my pocket money jobs, I worked in two places, the New Plymouth Port, handling freight and at the Waitara Freezing Works 16 kilometres up the road from New Plymouth. I had left my run a bit late to get a job there on one occasion and as a consequence ended up working where the offal and offcuts were put into large digesters to make pig and poultry feed. It was messy work but the pay wasn't too bad.

During the one holiday that I did not go back to New Plymouth I worked as a cook during the long Christmas break at the survey camp in the Christchurch hills which all engineering students had to attend to undergo practical training in the use of survey instruments. That was an experience. I think I ate too much of our products while at the camp.

Final exams

In 1949 I took my final exams. The stand out of that experience was a 14-day drawing and design examination. Of the two options available that year I chose the reinforced concrete factory building rather than the steel framed large bus shed. It was of course an open book exam and it was a trial of endurance in addition to testing one's engineering design skills. Over the years the quality and quantity of design drawings had increased and it was really quite amazing how much work was turned out. But we all got there and there were parties to celebrate completion of our last exam.



Me third from left with the euphonium.

Capping week

Capping week was always an exciting time. There were always lots of activities including a procession of floats in the city largely put together by university students. One of the ones I worked on demonstrated pole sitting which at the time was all the rage in New Zealand. We erected a pole on the back of a truck and attached a toilet bowl to its top. We had a large sign on the truck which read 'how a Pole sitter S its'. RH put together a band and I played an old euphonium and we had colourful uniforms all of which added to the spirit of things as we marched in the procession of floats.



My Father and Jean

Graduation

Graduation was in April 1950 and I'm happy to say that although divorced, both of my parents were there. The relationship was frosty but I appreciated their smiling and their being proud of me. There was of course a graduation party and I was somewhat hung over when I woke next morning to find note from Dad alongside my bed with a couple of aspirins and a message of good wishes.

Parents divorce

Dad and Mother had their differences which really revolved around Dad's roving eye. I think he had a bit of a fling with the wife of a friend of his who I think presented herself at the front door demanding to speak to my Mother. I heard the tail end of a heated discussion between Dad and Mother on the day when that was supposed to have happened. The rift between our parents was obviously more difficult to deal with for my brothers than me as I was away at University during those difficult years and only saw glimpses of it when I was back home on holiday. I remember saying to



My father, me and my mother

both my parents I was not going to take sides and I loved them both. Dad thought this was pretty good but Mother, I think, really wanted me to take a side and that was hers.

They divorced not long after. It was difficult and "not done" in New Zealand at that time by "nice people". One of the consequences was the sale of half of the farm which they had together to settle their affairs. I had gone to Australia before it was all over and Dad came to visit me there to let me know he was going to marry Jean Ason with whom he had obviously been having a long-standing affair. They got married and moved to Taupo where they built a house and enjoyed a very happy life together.

Dad, never one to retire took on the job as Chairman of the Taupo County Council and made a name for himself there as a man who gets things done. After he died a small park was named after him.

He never lost his love of land and bought a small rural property just out of Taupo which he called Little Taranaki and had a sign painted on the gate to that effect. He ran a few sheep



Alice and Hugh at Besley Park



Ian, David, Dad, Me, Mother, Bryan at Acacia Bay, Lake Taupo around 1983

and some cattle and built large sheds on the property in which, after he died we discovered amongst other things a lot of new fishing gear and seven 44 gallon drums of diesel which he had bought during the war in case there was a shortage.

On one of my visits back to New Zealand in later years the relationship between my parents had thawed somewhat and we had a family reunion on the lawns at Dad's Acacia Bay house in Taupo.

When I went to university in 1945 David was 15, Ian 12, and Bryan 10. In 1950 when I left New Zealand for Australia they were of course five years older but still quite young so I missed much of their growing up and to a large extent can only guess at the strains placed on them by the disruption to our parents' marriage. Looking back I have a sense of guilt of not being there to share some of it with them and I sometimes wonder if they

perhaps think, even if only subconsciously, I left them to it.

Working in Wellington

I secured a job with a Government Department working in the State Hydroelectric Design office or SHED as we called it. It was a small office and I worked in a team of half a dozen people. Our supervisor, was very good at handling young graduates who thought they knew everything. My first and only job in that department was designing foundations for structures at the Whakamaru Outdoor Station which is the switching station with a rather grander name. Whakamaru Power Station is one of a series of hydro stations down the Waikato River.

Moving to Australia

While working at SHED I began to hear stories of a recruiting campaign for engineers to go to Australia and work on the gigantic Snowy Mountains Scheme (Snowy Scheme) and that they were paying salaries of £600 a year. This sounded pretty attractive as at that time I was being paid £325 a year. I had not applied for a job but I made a spur of the moment decision to phone the recruiting centre and asked if I could come round for an interview. I went and had very interesting discussion with a person I came to know later as Associate Commissioner Merrigan. In fact I later worked as his office engineer for a brief period in my days on the Snowy Scheme. He asked me if I would like to go away and make a written application or would I like him to make me an offer on the spot. I chose the latter he said '£630' and I said 'Thank you, I'll take it.' The Snowy Scheme sounded exciting and the prospect of working on it seemed to be a bit of an adventure. It was and it was also instructive and highly satisfactory from a professional point of view.

Telling the family

When I told Mother I was leaving for Australia she was philosophical about it. Dad on the other hand said "They'll do you down laddie". I reminded him of this comment some years later, I think about the time I became Chairman of the Commonwealth Bank, and said 'Not only have they not done me down they helped me on my way.' He grinned.

Before I left New Zealand Dad took the four boys on a bit of a togetherness trip to the eastern side of the North Island an area which none of us had previously visited including Napier, Gisborne, Tauranga and Whakatane. Thinking about it now, I realise how little we knew about New Zealand then and when it came to the wider world we knew practically

nothing. It was nice to get away with Dad as apart from a holiday I remember we had at Mercury Bay on the Coromandel Peninsula that was the only time which Dad and his four sons were together for a period.

In the month between my interview and departure for Australia, Dad had arranged for me to join a Masonic Lodge. It was Lodge Hawera No 34 where I was initiated and took my first degree before leaving for Australia. It was also arranged for me to take my second and third degrees at Lodge Waverly in Sydney.

I was quite active in Masonry during my time in Cooma and was Worshipful Master of Lodge Cooma. Later I was Most Wise Sovereign in the 18th degree. This Lodge met in Bombala, a small town south of Cooma. I was also Worthy Supreme Ruler in the Order of the Secret Monitor which met in Cooma. When I moved to Canberra I ceased my active involvement in Masonry. I thought it particularly wise not to be known as a Mason when I became Head of Customs which had then a large number of Catholics amongst its staff.

As Master of Lodge Cooma I felt the community in general had a wrong impression about Masonry. It was regarded as a secret society by many rather than what it is, a society with some secrets. It did good work through its Masonic School Welfare Fund and its Freemasons' Benevolent Institution but this was not widely known. I felt it should have a better public face. The Cooma Cemetery was at the time untidy and somewhat unkempt. So I approached the Grand Lodge of New South Wales and got permission for the membership of our Lodge to undertake a clean-up of the cemetery and let it be known that it was the members of the Lodge who were doing this. In a small township like Cooma it didn't take long for this to be pretty generally known. I felt it was a good exercise.

Section 2 Australia

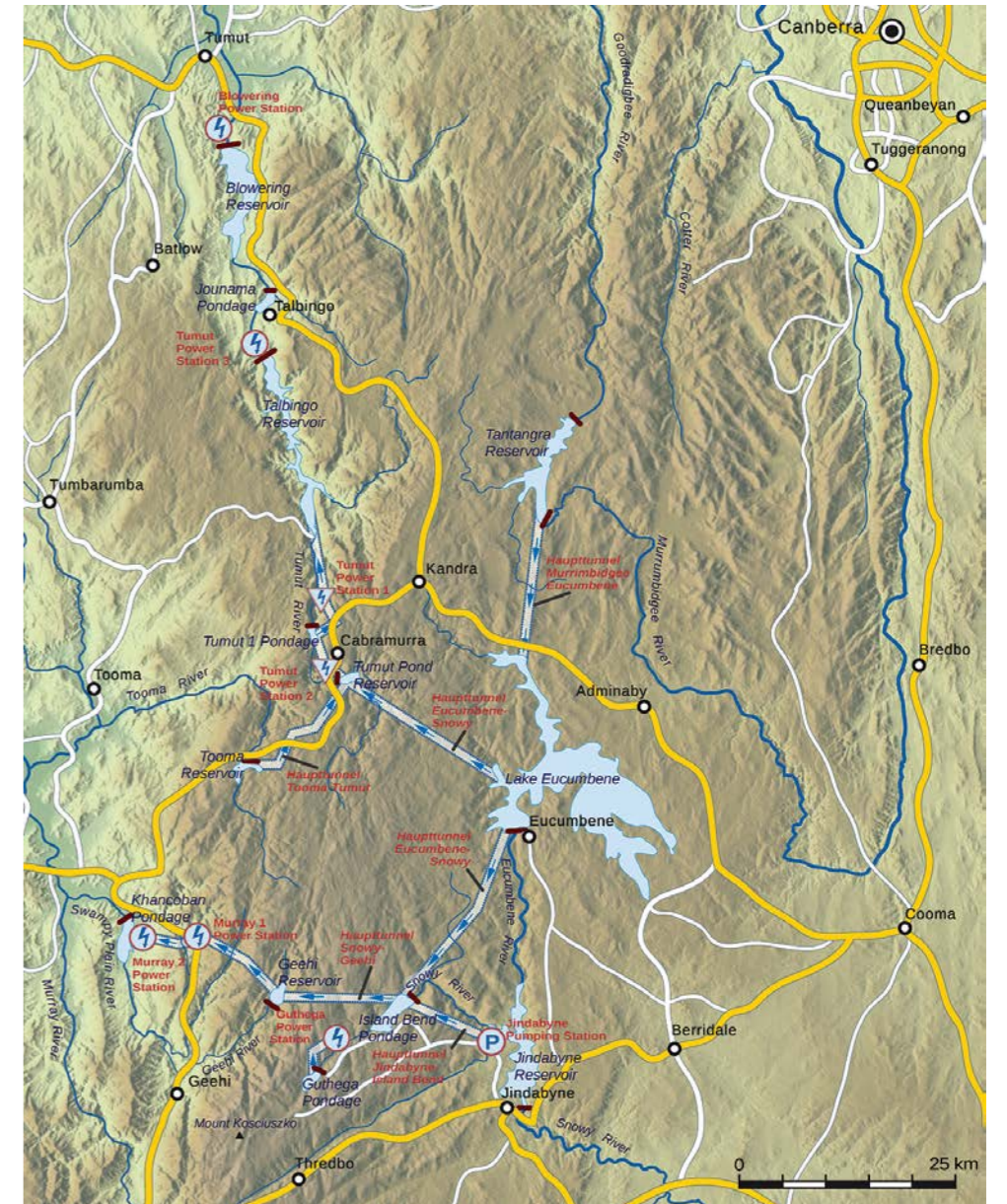
The start of my Australian adventure

About a month after my interview with Merrigan I flew out of Wellington harbour on a TEAL flying boat and 6 1/2 hours later landed at Rose Bay in Sydney. I had no travelling experience and arrived in Sydney wearing a three-piece suit on the morning of 10 October 1950 when the temperature was over 100° on the old scale

Early proposals to harness the Snowy River

As long ago as the late 1880s and early 1890s there had been proposals considered for utilising the water of the Snowy River. When there were droughts the idea was to send water through the mountains to the irrigation areas of the Murrumbidgee and Murray Valleys. When there was a power shortage the idea was to build a dam on the upper reaches of the Snowy connected by a tunnel to a power station further downstream.

Eventually a task force of officials from the Commonwealth and the states of New South Wales and Victoria was put together to give consideration to what might best be done with the Snowy River water. Their final report was issued as a blue book in 1945. It proposed a comprehensive scheme of hydro power generation and the delivery of water to the western irrigation areas. The Snowy Mountains Hydroelectric Authority was established in 1949 to further develop and implement this proposal.



Snowy Scheme layout

SMHEA was established under the defence powers as a statutory body with its own Federal Act. The constitutional base for the Scheme was recognised as being doubtful and it wasn't until the Snowy Mountains Agreement between the Commonwealth and the states of New South Wales and Victoria was signed in 1958 that it had a sound legal basis. By that time incidentally £180 million had been invested in the Scheme.

As the Act says: The Authority is a statutory body constituted by the Commissioner.

When Sir William Hudson was chosen as Commissioner he had a background of having worked in the North of Scotland hydro projects and was at the time working in the Sydney Water Board with a primary responsibility for the construction of Warragamba Dam. Nelson Lemon was the Federal Minister responsible for the Scheme and for nominating the Commissioner. When he put the single name Hudson to Cabinet he was told to come back with three names. The story goes that he came back with three names and they were Hudson, Hudson and Hudson.

Sir William Hudson was a great leader and loved to be close to the action. He was assisted by two Associate Commissioners, Thomas Lang and Tony Merrigan.

Lang was a civil engineer who had an eye for new technology and largely through his efforts the well equipped engineering laboratories of the Scheme were set up at Cooma Back Creek. Lang was very keen on rock mechanics and the designed use of rock bolts, rather than just using them to pin loose blocks in underground excavations as had largely been the case until then. Much work was done on improving the design of rock bolts with a hollow stem and better anchorage so that the bolts could be grouted in place to reinforce the surrounding rock into a structural member.

One interesting thing which the engineering laboratories can be credited with is the work done to establish Australian Standards for car seat belts. Sir William Hudson was very strong on safety and insisted that we all wear car seat belts. It was almost a sacking offence to be caught driving without wearing one.

Merrigan was an electrical engineer and had responsibility for the mechanical engineering aspects of the scheme as well.

Menzies, while in opposition said he would shut the Scheme down when he came to power. This was probably because of the Snowy Scheme's shaky constitutional base. However, he had not reckoned with the Commissioner's comprehensive public relations program. Sir William Hudson was firmly of the view that taxpayers needed to see what they were getting for the tax dollars. Bus tours and car convoys provided this opportunity. A conducting officer accompanied all tours. Their duty was to explain the Scheme's features as they toured and to look after the general well-being of

those taking part. There would be one on each bus and car convoys would be led by a conducting officer in a Snowy vehicle. Thousands of people visited the Scheme in this way over the years. We had a public relations staff who did most of the conducting work but engineers from time to time took a turn at it.

My two most memorable tours were conducting the Queen Mother and Prince Charles on one occasion and the Duke and Duchess in Gloucester on another. This was soon after she had broken an arm in a car accident. I remember having to help cut up her meat as we dined in the VIP visitors' cottages. The Duke's Equerry was an army Major, the Duke himself being an army man, and the Equerry was decidedly odd. One morning as I was on the way to breakfast when we were staying in Cabramurra the Major was hanging by his knees from a tree and when I said 'Good morning' he muttered something that sounded like Kwong! During the tour the Duke managed to consume three bottles of black label whiskey without any difficulty.

On his tour Charles seemed to be more interested in the very subtle security arrangements than construction activities. The Queen Mother was very gracious.

Top of the pops was Edinburgh Cottage at Cabramurra. We stayed overnight there for both of these tours. The duration of tours was normally three days.

By the time Menzies became Prime Minister people were talking about "our Scheme" and work was well underway on the Guthega Project. Menzies was invited to open that project and subsequently opened dams and power stations for many years as a staunch supporter of the Snowy Mountains Scheme.

The Authority was temporarily headquartered in Alexandria, Sydney for the



L-R: Photographer, Sir William Hudson, Ross McIntyre the Queen Mother and Neil Worner.

first year and a bit. It was located between two manufacturing entities BSP Soap and Abo Fertilisers. I remember it well because on that hot day when I arrived the atmosphere was a little putrid.

When I joined the Authority it had been operating for a little over a year. I was assigned to the Power Station branch but wherever one was located the focus of all of us then was on completing the exhibition drawings for the Guthega Project. Its hydraulic profile matched that of the Loch Sloy project in Scotland and this meant we could buy the turbo generators off-the-shelf from English Electric Company which had supplied those for Loch Sloy. The power station was designed to take three 30 MW units but only two were installed initially. To date the third unit has not been installed.

At the time construction of the Guthega project began in 1951 there was a labour

shortage in Australia and labour had to be imported. It wasn't until the post war flow of migrants got going that labour issues were solved. So to get things underway a Norwegian firm, Selmer Engineering was appointed and it came to Australia with its own labour force.

The Authority's construction strategy

All major works were constructed by contract initially with contractors coming from Europe and the US. One local company, Thiess, grew and developed significantly working on the Scheme. Thiess in fact built almost a quarter of the major works of the Scheme. Interestingly years later when I became Chairman of the Leighton Group Thiess was one of the three main construction arms of that group. There was a very strong day labour division of the Authority run by a rather dictatorial character Darby Munro,



Guthega Dam



Guthega power station 60 MW

which built all roads and most of the camps throughout the construction area other than those for contractors who built their own. One construction built by Kaiser in the Tumut Valley was named Sue City. The Project Manager's wife was called Sue. I think it also reminded him always of home territory in the United States which was near the Sioux Indian Reservation.

At the peak of construction activity there were almost 100,000 workers engaged on the Scheme many of whom were post war migrants, Italians, Germans, Greeks and some Scandinavians all working together. There was what I like to call a Spirit of the Snowy. The Snowy Scheme's operations showed that Australia could do big things and that we were a tolerant society.

Living in Sydney, 38 Lauderdale Avenue 1950-1952

My accommodation arranged by the Authority was at 38 Lauderdale Avenue, Manly where three other New Zealand recruits were already living. They were Ian and Rod Wilson (not related) and Brian Muir. It was quite a long journey from there to the office first by ferry to Circular Quay and then a bus ride to

Alexandria.

Not long after moving in I discovered to my surprise and pleasure that one of my schoolboy friends from Hawera, Doug Cameron, was living in Lauderdale Avenue two doors up the street! He had come to Australia a year or two before me and was the accountant at a business called Coopers in Manly. He later moved into 38 Lauderdale Avenue but that was after I had married and moved out.

There were some interesting characters in Number 38. I can't remember them all but one stands out in my mind and his name is Fred Bowker. He had a motorbike with a sidecar and at that time so did many of the traffic police. So Fred was often seen leading a stream of cars seemingly afraid to pass because they thought that perhaps he was a cop.

During my time in Manly I came to know Neville Jeffress who ran, at that time, a small newsagency in Fairlight. I kept in touch fairly loosely. I later became involved with him first because his newsagency was used by a department in which I worked in Canberra to place advertisements advertising jobs in the Papua New Guinea public service. The second was much later when I helped him acquire a

rival business to fold into a company he had by then established Media Monitors.

While I was living at No.38 I used to cook breakfast for everyone every morning – and it was a cooked breakfast. But after I left I learned that a roster system had been put in place and turns were taken to be the morning Chef. We used to have weekend lunches from time to time and often resident's guests were invited to join.

Meeting and marrying Nan

One guest's name was Nancy Cave, she liked to be called Nanette and she was a friend of Ian Wilson. I quite liked her and after a time asked her to have lunch with me in the city. We became quite friendly and I soon found myself asking her father if he would have any objection to my marrying her. Having satisfied himself that I was not a Maori and not a Catholic he agreed.

We were married in January 1952. Rod Wilson was my best man and Brian Muir a groomsman. Nan was attended by her two sisters Mary who was younger Chris who was older. My mother and her twin sister Jessie were the only representatives from New Zealand at my wedding. We were divorced 49 years later in July 2001.

Nan and I first lived in a small flat in 38 Millhill Road, Bondi Junction. We then moved to a flat in Dee Why rented by the Authority. It was opposite where Keith Miller the cricketer lived and he was a very good neighbour. He introduced himself the day we moved in and offered help if we needed anything. It was nice to know him close up even if only briefly.

And by that time I had been selected to go to the US and work for about a year with the US Bureau of Reclamation under an Agreement between the US and Australian governments. Under its terms the Bureau of Reclamation would provide in-service training to a number

of young Snowy engineers. Before I left for the US we were moved into a Snowy flat in Waverton. I left for the US in October 1952. Nan was pregnant at the time. On hearing this I recall a rather terse comments from my father "Clumsy bugger".

Thinking about it now I have to be honest with myself I didn't really pay as much attention as I should have to arrangements for Nan while I was away. I knew she would of course have family support but I have to admit my focus was more on career than family matters.

Assignment to the US Bureau of Reclamation

Getting to the US by air in those days was a bit of an adventure. We flew out of Sydney on a BCPA plane, a DC6b, and the first stop was Canton Island to refuel. From there we flew to Hawaii where we overnighted at the Edgewater Hotel. As a first visit to Hawaii I found the environment and climate very agreeable! From Hawaii we flew in the next day to San Francisco and then switched to a domestic airline that I think was United Airlines to complete the journey to Denver.

Denver was known as the mile high city, the climate capital of the world and as the city of lights. At Christmas time the civic buildings in the centre of the town were colourfully lit and there was a very large Christmas tree out in front.

There was a lot of snow on the roads in the winter months and despite the very thorough snow clearing activities often the snow froze and the roads were icy smooth. On one occasion when we were going out for dinner to the house of a local couple who had befriended us. On the way we did a 180° spin. Each of us recalled later, it seemed as though it was happening in slow motion. We contacted our hosts and said we would have to abandon the evening. I'm not sure how

we did that because there were of course no cell phones then. Our hosts insisted that we should come, that we should leave the car where was as it had not suffered any damage, and they would come and pick us up. They did and we had an enjoyable evening after which they drove us home. We picked up the car the following morning. That couple was one of a number I kept in touch with for years later by the exchange of Christmas cards.

The Authority had leased a number of apartments and Bill Wilkins and I, two of the group of four who had flown across together, shared one of them. It was at 86 Grant Street a number which always caused me some difficulty when I was giving my address. It always seemed to come out as 96, and when I kept saying 'No 86' it turned into 98. It was a nice apartment and we didn't pay any rent.

We were paid a very adequate living allowance and we cooked breakfast and if we didn't go out, dinner. Lunch was at the Bureau's staff canteen. The Bureau's offices were some distance out of the city so we pooled resources and bought an old car, a 1936 Plymouth. It served us well and we had

many adventures driving the old car. We were not able to take any leave of course but at weekends and especially long weekends, we had some quite amazing journeys.

Our longest took us as far South as the border towns in Mexico. Nearer to home we used to go to the ski areas in Loveland Basin not too far out of Denver. Once or twice we ventured further to Rabbit Ears Pass.

We made the trip to Tijuana over the Christmas period in 1952. It was a long drive down through Colorado, through Oklahoma, across the narrow north-west corner of Texas into New Mexico across the border and into Tijuana. It didn't impress as an interesting city but rather a sleazy border town with all sorts of dubious entertainment available. I don't recall whether we stayed overnight or not and if we did it was neither remarkable nor memorable.

On the journey south we mastered the art of changing drivers on the move. The person sitting on the right-hand of the driver would take the wheel the driver would slip over the back of the front seat, the new driver held the



Denver Christmas Lights 1952



86 Grant Street

wheel steady and then moved into position. The person on right at the back seat would climb over the back of this front seat and take a position next to the driver. I would not recommend this as regular practice.

One curious event on our drive was after travelling along a long straight stretch of road for some time with much snow lying about it came time to turn to the right but this proved to be impossible. We stopped and got out to find out why and discovered the snow had packed hard on each side of the wheel making a turn impossible. We cleared it out and were soon on our way again.

The return journey was a little more exciting. Coming into the town of Rothwell in New Mexico the cabin began to fill with smoke. We stopped to investigate and while we were gazing worriedly under the bonnet a citizen of the town stopped and asked what the problem was. We explained the symptoms and he kindly steered us to a garage known

to him. A quick examination by a competent mechanic told us that we had broken the top of one of the pistons. Our Good Samaritan then invited us round to his house for a cup of coffee and some cookies. He was a very friendly soul, gave us a tour of his small property during which he showed us what he called the biggest artesian well of its kind in the world. The descriptor "of its kind" is a common phrase encountered in the United States.

Having enjoyed his hospitality, we considered the options available to us and decided to pool our resources and buy another car and then set off for Denver with both cars until the Plymouth gave out or we managed to limp the whole way back. We bought a 1940s Chrysler and headed for Denver. If we had to abandon the Plymouth we would do so, remove all our possessions and keep going in the Chrysler. Meantime we would take turns travelling in the Plymouth with all the



Problems on our trip

windows wound down to get rid of the smoke coming through the floorboards. This meant that those in the car had to wear snow gear because of the cold outside, including flaps pulled over the ears. During one of my turns in the Plymouth traffic police pulled us over and seeing how we were dressed and hearing about our problem roared with laughter and sent us on our way with good wishes for a successful journey.

We did manage to get both cars back to Denver and the next day took the Plymouth to a Ufix-it garage. Here all necessary tools were available and there were competent mechanics instructing on what needed to be done. We learned a lot about replacing pistons in a car and the Plymouth was once more fully serviceable! Or so we thought. Not long after however we had an identical problem. The only consolation was we knew what was the cause this time. So back to Ufix-it again and another piston replacement. The

Plymouth held together until we left Denver. I can't remember precisely what we did with the Chrysler. Whether we sold it, perhaps to the next group of Snowy Engineers coming in or whether we kept it in reserve. It wasn't a big deal either way as neither car cost more than \$500. Later in my time in the US when I moved to California to work on an Army Engineers dam construction site at Folsom we did visit the other Mexican border town Juarez.

Birth of our first son

On 4 November 1952 our first son Trevor was born. I had a message from Nan on the day and later we spoke by phone which wasn't an easy thing to do at that time. I remember thinking she's picked up an accent while I've been away! This was a rather surprising reaction and I rationalised it by thinking to myself I was surrounded by American accents and while I had become used to the few Australian ones around me I was not used to speaking to others with that sort accent. With the time difference it was actually 3 November when I learned about this in Denver. So I celebrated both on that day and the following day the 4th of November handing out cigars as was the custom, on both days!

During the time spent in the Bureau's offices in Denver I worked on the engineering designs for some of the Snowy Scheme's Upper Tumut works which were being handled by the Bureau. To be precise I worked in the Canals Branch Power Plant Design Section of the Structural and Architectural Branch and the Hydraulic Machinery Branch. This was very useful as when I returned to Australia I was in the Power Station Design Section and later in project management work when these structures were under construction.

Towards the end of the Denver assignment a trip was arranged to visit the underground power station in Kitimat in Northwest British Columbia, Canada near the border with

Alaska. To get there we travelled in a small ship up the inland sea which leads to Alaska. We passed through magnificent scenery and saw bears catching fish in the rivers.

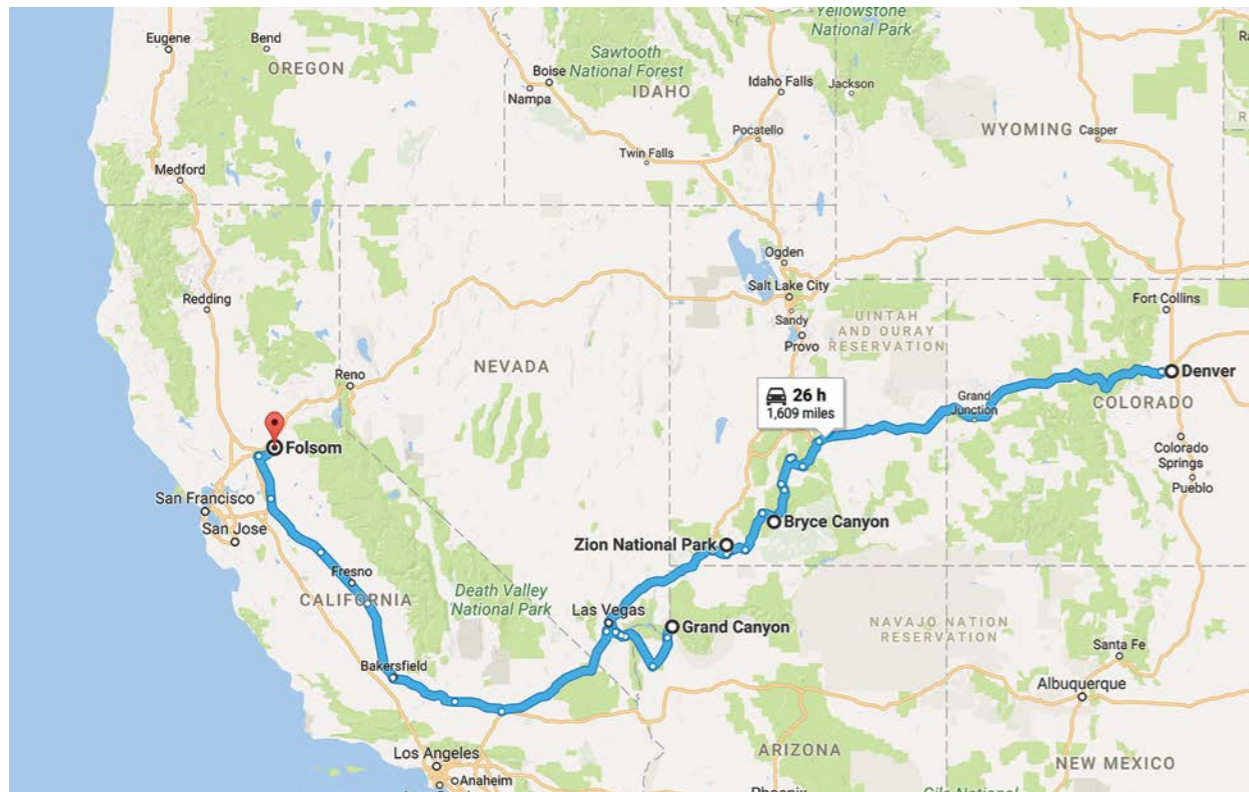
The snow was very deep around the camp site which served the construction activities and they were a hardy lot working on the job. The power station was interesting and we talked a lot about construction techniques and support of the structure. All good stuff given that there were two underground power stations to be constructed in the Snowy-Tumut section of the Snowy Scheme.

USBR field assignment in California

A field assignment was arranged by the Bureau for one of the other trainees, Barry Hannon, and me to work on Folsom Dam in California not far from San Francisco which was under construction by the Army Engineers.

We had a week get to the west. I travelled there with Barry and Pat Hannon. Barry was one of the few Snowy engineers whose wife accompanied him the US. They had bought a car and it was the means of transport to California. We covered a lot of ground and saw Bryce and Zion Canyon National Parks, Yosemite National Park and looked in awe into the Grand Canyon. While in Yosemite we overnighted and slept in our sleeping bags under trees. We had been told and there were bears but they were harmless. I woke to see one not far away and not wanting to take any chances I quickly slipped out of my bag and headed with some speed to the car which was parked not far away.

Being close to Las Vegas we visited it before moving on. There we saw a show and also saw concentrated gambling. There were even slot machines in the toilets.



The journey from Denver to Folsom

Remembering that we were engineers we paid a visit to the great Boulder Dam, now called Hoover Dam in honour of President Edgar Hoover. It was built in the depression years and building the coffer dams and diverting the Colorado River through large tunnels was a mighty achievement. The Dam is partially open to the public but we had rather a special tour being there as trainees attached to the Bureau.

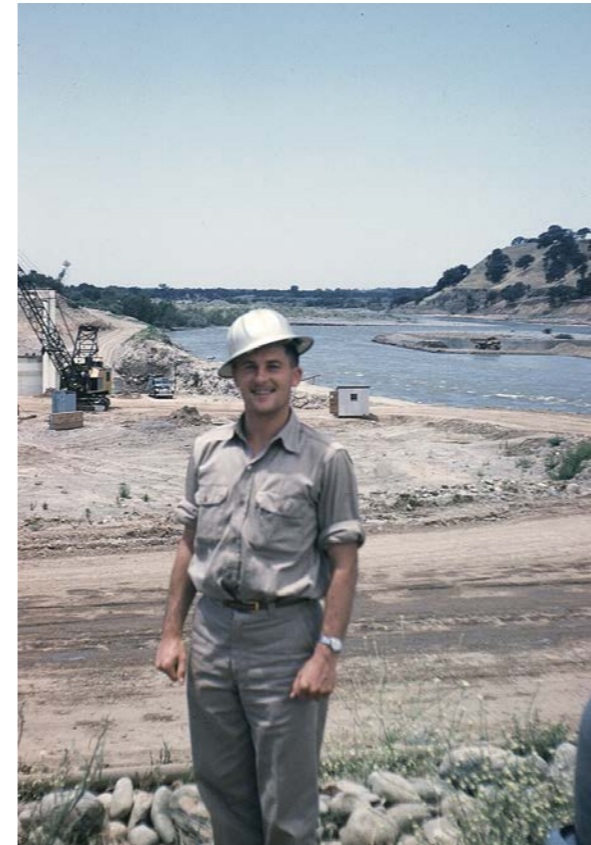
We travelled a lot of kilometres and at one stage I had a folder of maps prepared by an oil company which I intended to keep. Unfortunately, it and a lot of my other papers were destroyed by fire when I had goods in storage after returning to Australia.

We duly arrived at Folsom and moved into the accommodation which had been arranged by the Bureau. Folsom was not all that far from San Francisco and while we were there we did visit it a few times.

Barry and I both worked on various aspects of construction of the Folsom Dam. It was an Army Engineers project. There was close collaboration and a good working relationship between the Bureau and the Army Engineers. The way the project was organised was impressive and we learned a lot from our time there.

At one stage I thought would be a good idea to try and grow a moustache as I worked on this job. When I had a few bristles showing the Project Engineer looked at me one morning and said 'What is that, it looks like the arse end of a Billygoat?' I shaved it off the next morning.

The Bureau of Reclamation is responsible for water storage and its use for irrigation in the 17 Western states. The Army Engineers has a nationwide role in flood control works.



Me on duty at Folsom

We did take the opportunity to travel down the coast road to Los Angeles and on to San Diego. On the way we got a bit of a shock when going through a road cutting the bonnet flew up and totally obscured the road. Finding a pull over place quickly wasn't easy but we made it and were able to secure the bonnet and go on our way.

We did the Hollywood tour thing in LA, saw handprints of the stars in the footpath and generally took in the sites including the Spruce Goose, the Giant aircraft made for Howard Hughes. It made only one flight and that was pretty short. It was in its own hanger at Long Beach.

One interesting encounter was with Frank Sedgeman and his tennis partner Ken McGregor. We knew who he was but he still felt it necessary to say who he was when we approached and spoke in an obviously Australian accent.

We finished our assignment at Folsom, made our farewells to the construction team and packed for the return journey. We left on 3 July and one of our American friends said 'Just like a bloody Englishman leaving before Independence Day.' On a number of occasions each of us found it necessary to point out that we were in fact Australians. This was one of them.



Graduating from the Bureau

Another for me was when I was in New York checking that my passport was in order before returning. I went to the post office at Central Station to post some of the technical materials I had collected. When I said I wanted to post a package to Australia the postal clerk, an African American, said 'Now let me see where's that - it's in Europe right?' When I said no and tried to explain she said 'Africa is it?' Again I said no and she said 'Well let's put \$20 dollars on it that should get it anywhere!'

The return journey via New Zealand

I had arranged for Nan to take our son Trevor to New Zealand and I would meet them there. She was to arrive a few days before me and take the opportunity to meet more of my extended family. I had managed to save a few dollars from the allowance we were paid and because of favourable exchange rates I turned my US dollars into New Zealand dollars. This



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
DENVER FEDERAL CENTER
DENVER, COLORADO

IN REPLY REFER TO:
209-E

JUN 26 1968

Mr. Morrish A. Besley
c/o Bureau of Reclamation
Denver Federal Center
Denver, Colorado

Dear Mr. Besley:

Since you have completed your in-service training program of approximately 9 months with the Bureau of Reclamation, we shall review your accomplishments during this period.

An examination of your program reveals that your work and training were performed in our Canals Branch; Powerplant Design Section of the Structural and Architectural Branch; and the Hydraulic Machinery Branch. In addition, you completed a field assignment on the Central Valley Project (Folsom Area), and observed activities on other Bureau projects and non-Bureau installations.

Your program also included participation in a concrete control course conducted primarily for our field engineering personnel.

I am pleased to hear that you have accomplished your assigned duties with a high degree of excellence. Please accept my compliments on your record with us. I wish you every success in your future engineering work.

Sincerely yours

L. N. McClellan
Chief Engineer

Chief Engineers letter

became a bit of an issue later when I wanted to transfer the funds to Australia. Exchange control was tight so I had to persuade my bank manager in Sydney that this was a supporting gift from members of my family to allow me to settle into Australia. I don't think he really believed that but went along with it anyway.

One other thing I found fairly easy in the US was to drive on their side of the road. This was largely due to the volume of traffic and the constant reminder by my Australian colleagues. However, I recall being somewhat embarrassed in New Plymouth when driving my Mother's car down the right hand side of the road. There wasn't much traffic but suddenly I was quite startled when somebody yelled at me 'Where do you think you are in America or somewhere?'

Before we packed to return to Australia we did two things. First I took Nan, and of course Trevor, to the farm where Ian had gathered a few members of the family and showed her something of the farm. I recall her alarm when we put her in a sledge and we were slipping and sliding down a muddy track when at the same time the horse decided it was time to do a poo! We stayed overnight in the small cottage that had been built for us to use on our trips to the farm. It was pretty primitive and had a tin bath which had to be filled with water heated either on the open fire or more usually by inserting a heating element into a saucepan full of water. This was all a bit too much for Nan. But she did say later that she had enjoyed her visit to Ratapiko.

The second thing we did was spend a few days in Rotorua. By chance my uncle Sid, my godfather, was staying at the same hotel we had booked into. It was called Brents and it was where all the fast set stayed - not that we were one of them. Sid latched onto us and we had many a laugh and at some point in our discussion the question of American clothing arose and it emerged

that I had some rather fancy US underpants. He insisted on borrowing a rather garish pair and then proceeded to prance around a bit more of the hotel area than he should have wearing my underpants! I recall too, giving Dad a pair of American underpants which had ants emblazed on them and he was rather offended because he said "So you think I've got ants in my pants do you?". He was actually a bit hurt I think. But it had never been my intention to suggest that he did have ants in his pants which I learnt was an expression which some used when accusing someone of being a cranky old so and so.

We finally left for Australia travelling by ship on the Wanganella.

On the Wanganella

The crossing can be and was pretty rough. I spent a lot of time in bed. Nan turned out to be a better sailor than me and she often attended meals without me. Also travelling on the ship were Ken and Margaret Lane. Ken like me was a Snowy employee and he too had been at the Bureau of Reclamation for in-service training. He was a good sailor and Margaret was not. As a consequence, Ken and Nan often dined together. So others on the ship couldn't quite work out who was with whom as between Ken and Margaret and Nan me. Closer to Sydney we all fronted up together and sat with our respective partners.

Cooma

We spent a few days with Nan's family in Sydney gathering our belongings before moving to Cooma. We travelled by train and it took most of the day. We were met on arrival and taken to the house allocated to us in Namalla Street. Our furniture and household effects had been sent on ahead and were available on our arrival in Cooma. The house had three bedrooms a large living



On the Wanganella

area with a very efficient wood-fired Wonder Heat a compact kitchen with an electric stove and a dining nook, a single bathroom and a separate toilet. It was insulated and comfortable to live in.

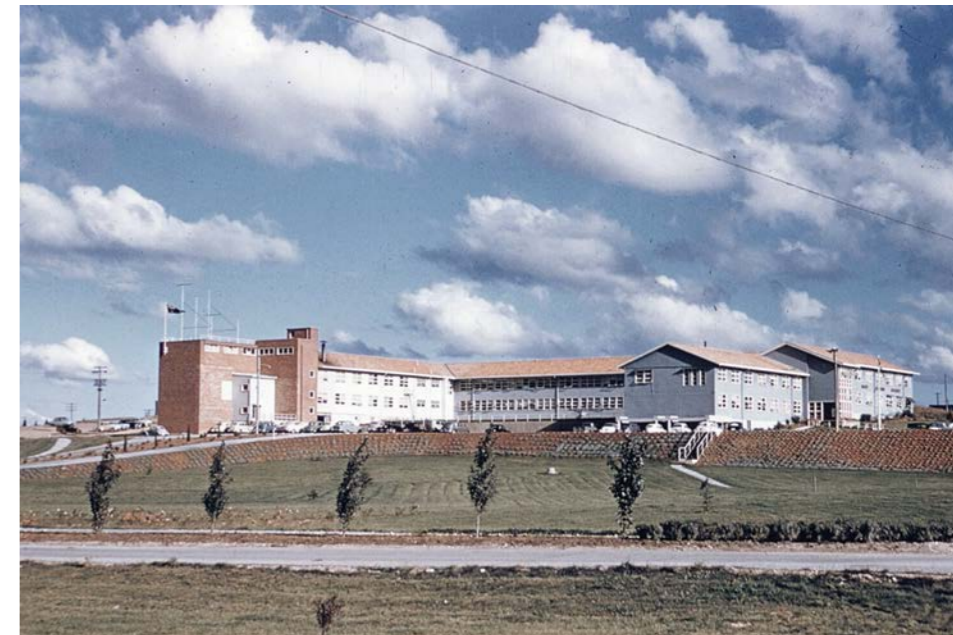
In the Snowy housing estate, no house backed onto another. There was a wide nature strip between the two back fences and it was the place where later many of us erected our barbecues. It was a very good setup.

The Snowy township was contiguous with old Cooma town and built on a bit of a rise in a suburb called Cooma North. The Authority's headquarters and the visitors' centre were also built there.

The houses we occupied had been built by several contractors. Ours was a Passotti built by an Italian contractor. To begin with housing was provided to us rent-free but later on at the insistence of Treasury an economic

rental was charged. This caused a little unrest but it wasn't too serious.

To get wood for our Wonder Heat three of us, two New Zealand mates Ken Lane and Dick Sanders and I, having seen a lot of dead timber in the paddocks on farms outside Cooma, decided to explore the possibility of collecting some of the dead wood. We drove up a rather grand drive to a pretty big house on what obviously was a large property. We explained what we were hoping to do and the owners sat us down for a cup of tea and some freshly cooked scones. It was true country hospitality. Our quest was successful and we enjoyed a good relationship with the family collecting a number of truck loads of wood over the next couple of years.



Authority's Headquarters

East Cooma

There were workers' cottages built on the other side of the railway line in East Cooma. Many of these were built by Civil and Civic a Company owned by Dick Düsseldorf who later established Lend Lease which in turn, a year or so later absorbed Civil and Civic. Many Snowy engineers ended up working for Lend Lease particularly after Roy Robinson, second in charge of the Authority's day labour division, moved to a senior position in that company.

East Cooma was also the location of the Authority's Railway siding and storage area. Contractors were also allocated space there.

With the ingress of Snowy personnel, the township population grew from 3000 to 10,000 over a couple of years. There had been some discussion about the Headquarters being in Canberra but the Commissioner, Sir William Hudson, was adamant it should be close to where construction activities were to be undertaken. He was of course dead right. There would have been too much interference by the Department of National Development if we had been in Canberra. Our Minister was

also the Minister for National Development and over the years it was obvious that the Department was jealous of all the very good publicity which the Snowy Scheme had.

Back at work on the Snowy Scheme

I returned to the Power Stations Branch which is where I had been working in Sydney before I went off to the US. We were working on designs for the two underground power stations Tumut 1 and Tumut 2. It was interesting work but I soon observed something I have seen many times since, namely that returning officers from overseas postings are often regarded by those who stayed at "home" as having been away on a bit of a jaunt and were treated with a little indifference.

Walking home from work one day, and it wasn't far to walk, in fact we used to go home for lunch too, one of the senior Engineers, Bert Reynolds, caught up with me. I think this was quite deliberate. He said he'd noticed that I seemed concerned about my current work situation. I said I was a bit, and we talked on

for a time about Bureau training and what lay ahead for work opportunities on the Scheme. Interestingly many years later when I became President of the Academy of Technological Science and Engineering I met his daughter who was a Fellow of the Academy and a senior academic at one of Australia's top universities. She in fact approached me and said you used to work for my father Bert Reynolds. And so I did.

Not long after that a decision was made to move me to the Major Contracts division and for that I would be based in Cabramurra the highest township in Australia. When I told Nan about this she was a little apprehensive I have to admit.

Living in Cabramurra 1954-1955

On the appointed day our gear was transferred and we drove to Cabramurra. As we drove across the high country near Kiandra and got to the point where the road dipped down to the small township Nan's eyes opened wide and she burst into tears. I have to admit that for a big city girl who had transitioned reasonably well to Cooma the shock on first sighting the collection of workshops, gravel roads, barracks and a few houses would have been pretty discouraging.

The house we had been allocated was house 14 on the top of a small rise in the township. All staff houses there were transportable and made in two sections in Cooma and joined together on site. They were well insulated with wood fired heating. There was a fuel stove which also provided a source of heat for the hot water. The stoves were a brand called Canberra and were not slow combustion. After a time I took on what I will call the battle of stoves and ran a carefully worded survey which showed that they were not satisfactory in that climate. Aga stoves were agreed as a solution and significantly

mine was the last house in which the replacement stove was installed! As it turned out that was not long before I was recalled to Cooma for another posting.

While at Cabramurra I was engaged as a member of the contract administration team. Amongst other things I had the responsibility of preparing the four weekly report on construction progress on all major jobs in the upper Tumut region. This meant I had a great deal of personal contact with senior officers of the major contractors Kaiser, Walsh, Perini, Raymond, Utah Constructions and the two French companies Etudes et Enterprise and CITRA. I made some firm friendships with many of them particularly Boyd Poulson who ran Utah Constructions.

We were a tight knit team in Cabramurra. Supporting each other with household chores and enjoying card games and occasional party evenings where there was dancing and refreshments. With the Authority's help we built a ski tow running from the house opposite ours down to the bottom of the valley. It was a rope tow. I recall whizzing down the slope on one occasion and losing one ski. This didn't do my knee much good and I never put my skis on again. There was one unfortunate accident on the tow when Kim, the son of a close friend, Brian Jagger, had the lower half of his arm torn off when it jammed at the top of the tow. I'm happy to say though, that he recovered and managed his life and activities very well after that.

When we arrived in Cabramurra there wasn't even a corner store. There was later, but it had very limited provisions. A supply truck made a daily run into the town of Tumut and householders put their order in on the previous day for provisions from the Tumut Co-Op where we all opened accounts. In 1955 when there was a record snowfall, in fact, it drifted over part of our house and we woke to a kind of muffled silence. We were cut-

off but the Authority made available basic provisions including flour and yeast so that we could make bread. The morning after the snowstorm we all had to clear a path to our woodshed to get fuel for the stove and Wonder Heat.

There was a hills hoist clothes line near the woodshed and on one occasion the Snowy photographer took a picture of Nan taking frozen nappies off the line. They looked beautifully white. A company which made velvet soap spotted this photograph and asked the Authority if they could use it to advertise their products. This was agreed provided Nan was happy. She was and the company paid her a small sum. Nan then felt obliged to use the product which as I recall wasn't particularly good soap.

There was a period of excitement for a few days when a peeping Tom was spotted sneaking around the housing area. We agreed to be on the look out and keep each other informed. One of my colleagues spotted someone and was able to give him a good clout with one of his golf clubs. We never did discover who it was but we never had a

peeping Tom around the housing area again while we were there.

Birth of our second son, Grant

On 5 March 1955 we decided to drive into Cooma for the day. I guess it was just to do some shopping and see something of the bigger town. But on the way into Cooma we spotted a field of mushrooms and gathered a good supply which we subsequently enjoyed back at Cabramurra. The following day 6 March Nan began to get labour pains and so we set off to Cooma once again. I delivered her to the hospital and went and had a cup of tea at the Hunter's house in Cooma North. After an hour or so I phoned the hospital to see how Nan was and discovered I was a father again! Nan had apparently had a quick and easy birth and later that day Trevor and I went back home. Two or three days later we collected Nan and Grant and returned to Cabramurra. Later we had Grant christened in the Anglican Church in Adaminaby. It was a lovely old stone church with a rather fun country minister whose name I can't remember.



Nan near the snowed in store

Later the township, including the church was moved stone by stone to a new location away from the lake's edge voted on by the residents of Adaminaby. It could have been moved further up the slope and still retained a lake view. At the time I thought their choice was a mistake but it is what the citizens of the township had unanimously voted for. I think later some of them regretted that they had chosen that option.

Back to Cooma and birth of our third son, Rod 1956-1967

We returned to Cooma in 1956 and were allocated a house in 8 Nimby Place in Cooma North. It was another Pasotti house. It was in this house that Rod arrived. Early on the morning of 27 January 1958 Nan woke



Nan holding Grant with Trev in the snow

saying that she was having labour pains. I hopped out of bed to go and get the car ready and almost before I had time to get dressed there was a bit of a gasp and there Rod was! I remember I tied the umbilical cord with a piece blue ribbon while they were still in the bed.

After that I did two things. I called Doctor West and dashed across the nature strip to the Hunter's place to seek help from Pauline who had been a nurse. Pauline arrived and soon after Dr West pulled up at the gate. When he came inside I said that I had, I thought helpfully, boiled the jug. He said well make a cup of tea! By then Pauline had removed the sheets and tidied up the bed. Dr West invited me to cut the umbilical cord. I did and as I recall it was still tied with a bit of blue ribbon. We had a cup of tea and I drove Nan to the hospital. When we arrived they asked what stage my wife was in. I said 'A very advanced stage, she and the baby were two separate packages'. Later the hospital sought to charge me fees for the labour ward which I disputed and did not pay. So the birth of my third son was truly memorable.

Not long after Rod's birth I received a letter supposedly from the Authority signed by Miss Y.O. Stork which accused me of breaching the terms of my employment in that I had undertaken other work remunerated or not without the Authority's approval. The charge was I had acted as a midwife for the birth of my son. I replied to the charge by claiming it wasn't work it was a hobby! This interlude is a good example of the view I have often expressed that working for the Authority was fun as well as being a great engineering experience.

Back in Cooma I returned to the civil engineering design division and was engaged on the preparation of contract documents for the 220 feet high Earth and Rockfill Tooma Dam, the nine mile long Tooma-Tumut tunnel

and the Tumut 2 underground power station This was interesting work as some of the structures particularly the aqueduct intakes into the tunnel were complicated.

In 1959 I was transferred to the development division and in 1962 became engineer for project investigations. The work was associated with proposals for the general development of the hydroelectric resources of the Snowy Mountains area and the integration of the Scheme's electricity production with that of the New South Wales and Victorian State generating systems.

In the early 1960s I had two interesting assignments and worked for almost a year in Associate Commissioner Tom Lang's office as his Office Engineer. He was a great civil engineer and taught me a lot during that time.

Interesting overseas assignments

In 1961- 62 I was sent to South Africa and Europe to recruit engineering staff. The Commissioner had a view that with South Africa about to become a republic there could be many families of English background who might wish to leave the country. It was indeed a successful recruiting campaign. We hired some 35 South African engineers.

As well as South Africa we intended to recruit in Northern and Southern Rhodesia and Kenya. But our consular staff had messed up the advertising in those countries and they had been placed in native speaking newspapers rather than English. We nevertheless travelled through the two Rhodesias and up into Kenya.

The roads were pretty terrible particularly in Rhodesia. The main roads consisted of two concrete strips a car's width apart. And they were two-way. There were two women travelling with us also arranged by Australian officials but they had nothing to do with our exercise. The driver was a young

Englishman who seemed to think that driving in Africa should be done at high speeds to get anywhere. None of us was particularly happy with his driving and the two women in particular became quite distressed. Finally, I found it necessary to yell at the driver to tell him we wanted to get where we were going and didn't mind if we were late. He behaved himself reasonably well after that. When we got to Kenya the roads were much better. After all that we only got one response and that was from a totally unsatisfactory candidate

On the South African leg of the recruiting exercise I was travelling on this exercise with Neil Worner the Chief Civil Engineer. He became very concerned about what we should do and suggested that we should ring Cooma for instructions. I said I didn't think that was a good idea, we were on the spot and, we should make a decision. When he asked me what I thought we should do I said we should hire a car and drive around Mount Kenya and that is what we did!

At some point Neil and I stayed in a Treehouse, not the famous one the Queen and Prince Phillip stayed in, but one in which one often saw animals under a so-called artificial moon. Neil was always concerned and on that night particularly concerned that he might get malaria. He was not a person who drank much, if it all, but nevertheless I suggested to him if he were to drink some gin and tonic that might be a good preventative. He imbibed rather more thoroughly I thought than necessary and next morning was very angry with me.

The South African engineers we recruited made a great contribution to the Scheme. Some remained in Australia and others returned to South Africa after a few years.

From summer in Africa to winter in Europe

From Africa I was sent to London where the Authority had an established office run by an engineer named Neil Smith. He was quick to point out that as we were of the same rank, Executive Engineer, he could not instruct me. I think he was simply seeking to lay out the ground rules.

I had arrived in London in January 1962 having come from southern Africa with no warm clothes. A quick visit to Selfridge's solved that. It was a bleak winter and London had not by then banned the use coal fired heating, so the smog and soot had to be contended with every day. I was staying in Tavistock Square not far from our London office. I walked each way each day. It wasn't long before the collar of my newly acquired warm coat was black. Recruiting was successful in England and in parts of Europe.

This recruiting exercise took me away from Cooma for just over two months which was pretty tough on Nan with three young children to manage. Our friends of course rallied around but there were moments when I think she wished I wasn't away for such a long time.

Engineering developments in Europe

As well as recruiting, arrangements were made for me to inspect various hydroelectric projects and explore developments in engineering techniques. One of the most interesting was technology developed by French engineers for the non-destructive testing of welding using ultrasound. The organisation which had done this agreed to make the technology available. When I got back to London I wrote a letter setting out my recollection of the terms of our agreement.



Neil Wornor relaxing in Africa

I wrote in English and received a reply in French. It appeared to agree with what I had set out in my letter and on having it translated accurately I found that indeed it did.

On my travels around Europe during January quite by chance, I thought, I bumped into Tom Lang who was there for some meetings. He said in fact it wasn't a chance meeting he knew where I was and deliberately caught up for a chat and review of progress.

Returning from Europe I worked for Tom Lang again and this included arranging the visits and technical discussions with our regular consultants Raymond Hill an American engineer, Roger Rhodes also American and a leading geologist, Eric Rudd another geologist and a New Zealander who was a professor at Adelaide University. The way things worked with the consultants was, we didn't ask them what to do but instead we told them what was proposed and they then probed and tested those plans and from time to time made significant and sensible modifications. They provided a very good technical audit.

During this time in Lang's office there was a visit to the Scheme by the Commissioner of the US Bureau of Reclamation, 'Dex' Dexhiemer, I was detailed off to take him to two places. The first was to Sydney to learn how to throw a boomerang and the second was to the Loy Yang power station in Victoria. We made these journeys in Tom Lang's car with his driver at the wheel. Dex was a very interesting man to talk to and he recounted many interesting stories on the work and politics of the Bureau during those few days. We had a lot of fun at La Perouse being instructed by an aboriginal expert on the art of boomerang throwing.

World Bank negotiations

The other special assignment was 1963 when I was sent to the World Bank with

a senior Treasury official, Jack Garrett to negotiate a loan of \$100 million. It went into consolidated revenue but was based on the Scheme and its economics. We arrived in Washington just before Christmas in 1963. We were first asked if were we the advance party? When we said no the next question was 'Which one of you is the lawyer?' to which we replied 'Neither'.

That surprised the World Bank representatives a little but we nevertheless got on with negotiations. The head of the Treasury at the time Sir Roland Wilson had given Jack instructions to get the loan sorted and ready for him to come to the Bank and sign the deal. Sir Roland was courting a Qantas hostess at the time whom he subsequently married. We wrapped up the loan, signed the documents and enjoyed a very good World Bank Christmas party before returning to Australia. I understand Sir Roland wasn't particularly impressed but he nevertheless gave Jack a tick.

A new job on the Snowy

About the middle of 1964 I was appointed as head of the Tunnels and Aqueducts Branch and in December of that year I joined the Commissioner's personal staff as Assistant to the Commissioner. I held that position until I resigned from the Authority to move to the Commonwealth Public Service in the second half of 1967. I had done things for Sir William before my two years in his office - preparing the Annual Reports, writing a speech or two - but working full time at close quarters with him was a very interesting and rewarding experience.

It was Sir William's habit to go home for lunch each day and one day he didn't return around the time I expected. Lady Hudson was away from Cooma so I went to his house and found that he had collapsed from what turned out to be a burst stomach ulcer. He spent a

few days at home recovering and requested that I should bring "the papers" to him each day. I was a little selective and he said to me one day 'Mr Besley you are not bringing me all the papers are you?' I confessed that in collaboration with his doctor I was limiting the flow of paperwork to him. He was back to work in his office much sooner than anybody thought.

Sometime in 1963 we moved from 8 Nimby Place to 6 Mullan Place. It was one of the six houses which Kaiser had built for its senior staff and which by then were all occupied by Snowy employees. It was a nice house roomy and with an efficient oil heating system. It also had an extra toilet off the very large laundry area.

In this period television had become available but not in Cooma. One of the Electrical Engineers had designed an aerial which if well elevated made it possible to receive signals from the South Coast station at Wollongong. Through a series of working bees we built the aerals according to the plan and using telescopic masts we erected the home built aerals on all the houses of the group with which we were mostly associated. We then enjoyed television for the first time.

We also during that period built barbecues in the nature strips behind the houses. These were simply a large block of concrete with about four bricks in the right positions on top and a piece of worn grating from one of the concrete screening plants sitting on the bricks.

Schooling in Cooma

Each of Nan's and my three boys went to the Cooma North Primary School but Trev was the only one who went to high school there. The Authority built both the primary and secondary schools and they were run by the New South Wales Education Department.

Annual primary school fetes were important events for the school, the pupils and their parents. Doug Price and I put together a kit for mini golf which we ran each year. I think we got as much fun out of it as the kids did. The teachers were to my recollection a great group. One who had a fair bit to do with our boys was Gloria Holmes who was the wife of the senior detective in Cooma, Bill Holmes. She and Bill became quite close friends.

Golfing in Cooma

I had never played golf before Cooma so I bought a set of second hand clubs from Golf House near Central Station in Sydney and joined the Cooma Golf Club. It had sand greens then and you scraped a path between the ball and the hole before putting. The greens were very slow. I recall four incidents in particular.

One was attempting to play when it was snowing. The problem was when you putted the ball gathered snow and it became impossible for it to roll. Apart from that it was pretty hard to find the ball on the fairway. Another was hitting off on the championship day, I struck my ball on the top it shot forward hit the concrete marker on the lady's tee bounced back over my shoulder and crashed through a small window in the pro shop. Those watching, and there were a few, thought it was a great laugh and reckoned I couldn't do it again if I tried! I was a little embarrassed.

The next was playing in the Rum Cup which occurred around about Anzac Day. The idea was that for each rum you drank and it was available at every tee, a shot came off your score. Towards the end of the game I thought I only had to stand up to win but I didn't last the distance and had to be helped home by a mate, John Hunter. He delivered me to Nan, pushed me in the door and left me to it.

The final one was deciding after a lengthy carry on party following the annual Snowy Ball to have an early morning round by going straight to the golf links from that and still wearing a black tie. Nan went home and we golfers set off. We didn't play many holes and one of our number decided to have a sleep in one of the little gullies but we got him home and I offered to take a group to breakfast as I was sure Nan would be willing to cook bacon and eggs. She heard us coming and obviously didn't think it was a good idea so escaped out the bathroom window. Our three boys stayed sound asleep and I cooked bacon and eggs I think it was for six people including Boyd Poulson the head of Utah Constructions. It was a memorable night and early morning.

USBR advisors in Cooma

Part of the deal between the USBR and the Authority was that there would be stationed in Cooma for a time, two senior engineers from the Bureau as advisors. Two of them became particular friends of ours Fred Cornwell and his wife Jean and Watt and Marg Ketchen. They joined our group for card evenings and dinners and we had a lot of fun.

One night when the dinner was at our place I put a tape recorder under the table rather naughtily without telling anybody. When we next met for dinner I played it and after getting over the slight outrage at what I had done they had a good laugh at the dinner table chatter on the previous occasion. Luckily no one had made any comments they may have regretted.

I had a system of exchanging tapes with Dad to bring him up-to-date on the news. Mother wasn't into tapes and I would write to her occasionally and she would reply from time to time. The tapes became a bit of a ritual and the boys got quite used to talking to the tape and chatting away to grandad. He liked that.

Sir William Hudson

The Snowy experience was a significant part of my working life. Sir William was a man ahead of time. He was very strong on safety and established a joint safety Council which he chaired. The other members were the heads of the various contracting groups. The Commissioner wouldn't allow a representative.

He appointed a remedial gymnast with a fully equipped gym. His role was to work with and get injured workers back to work. He was quite successful in this.

Sir William also appointed an environmental committee to advise on aspects of construction in the State Park where we operated. He was not afraid of a fight. The state government of New South Wales legislated to increase the silicosis premium which was a charge against those operating in mines or tunnels where silicon was present. All Snowy Scheme tunnelling operations were carefully monitored and the silicon concentration was extremely small and well within accepted limits. This move was a blatant attempt to get more money out of the Commonwealth via a levy on the Snowy Mountains Authority. When it was pointed out to Hudson that this was now the law he simply said 'Well we'll have to get the legislation changed'. And manage that he did.

There were no industrial troubles on the Scheme. Hudson had a very good relationship with Charlie Oliver the head of the AWU which was virtually the only union involved. And he had persuaded the Arbitration Commission to appoint a special commissioner, Commissioner Taylor, to handle matters affecting the Authority's work.

Sir William would also spend time talking to and listening to the workers. I can remember a time when it did appear there may be a strike because someone had discovered a fly in the

mess at Geehi Camp. In itself it was probably a minor issue but it could have escalated if workers were looking for a cause. So he said let's jump in a plane and go out and fix it. We did that, he listened to and talked to the men and sorted out what needed to be done and the problem disappeared.

The Snowy had three aeroplanes while I worked there two Beavers and an Aero Commander. These and the several airstrips built around the works sites were a very useful addition to the fast communication network. The Aero Commander was also used to take people to Sydney or Melbourne if the need arose. I remember a flight to Melbourne when coming into land, the air traffic controller said 'Sierra Mike Alpha are you in a position to do another orbit as there is a Fokker right on your tail?' We were and we did.

The importance of public relations

I saw a very clear example of its effectiveness some years later when construction was in full speed. At the time the contractors were all making record progress and despite the Authority's quite considerable skill putting together budget submissions to the Treasury it was clear there would be insufficient funds to meet progress payments to the contractors that year. So Sir William and I went to see the Treasury in Canberra to plead for an additional £2 million to meet those payments. We managed to persuade Treasury officials that if progress payments were not met this would do damage to the very good relationships we had with our contractors. On the way back to Cooma in the car Sir William said to me 'There you are Mr Besley, our public relations program has paid off in one afternoon'. He always called me Mr Besley except on the day I was actually leaving and then he called me Tim.

That incident with the contractors led to much tighter arrangements between the Authority and them. They were required to put in a firm target estimate of their expected progress payment requirements in the knowledge that if construction progress exceeded their estimates they would have to carry the cost through to the next scheduled set of payments.

In a much smaller example there was an issue with the swimming pool at Tumut which was sited alongside and fed by the Tumut River. There was said to be a problem from increased flows down the Tumut River when Talbingo power station was operating full bore at peak load times. I went and met the mayor and other appropriate Tumut dignitaries and the solution turned out to be simply a procedure to let the township know when river flows would be larger than what they perceived to be the norm. I think the important thing was they were able to talk to someone from the Authority about it

Politics and the Tooma Diversion

Political issues often arose in my time on the Snowy. One concerned the diversion of the Tooma River back into the Tumut. In its natural course the Tooma flowed into the Murray. The Tooma dam and the Tooma-Tumut tunnel had been completed and the diversion was about to commence when the South Australian government led by Sir Thomas Playford took out an injunction to stop this happening. He argued it would diminish South Australia's share of the River Murray water. Sir William asked for a discussion and this led to a meeting in Cooma involving the Prime Minister Sir Robert Menzies, Sir Thomas Playford and Dryden the head of the South Australian Water Commission. I attended to answer questions. I was asked what difference the regulation of the Tooma

River flows into Lake Eucumbene would make to the Murray River water flows. We had done some work on this and when I gave a figure from memory it was 1,000,000 acre feet. This satisfied the South Australians, the injunction was lifted and the diversion proceeded. It was a slightly nerve wracking experience but I was comforted by realising it could never actually be measured.

Expo 67, Canada

The model maker employed by the Authority, Frank Gibbs, was a skilled artisan and used the latest technology available with moving lights showing how the water was diverted through the network of tunnels. Some of these models became part of Australia's contribution to Expo 67 in Canada which included many other things including the Australian singing group The Seekers. The Commissioner General in charge of Australia's exhibit was retired Chief of the Navel Staff, Admiral Sir Hastings Harrington. He didn't know then, nor did I, that many years later I would be happily married to his daughter Sarah.

I do remember a particular discussion about what was going to be in Australia's exhibit when a senior officer of the Prime Minister's department, Jim Scholtens, was in Cooma to check on preparations of the Authority's contribution. It was explained amongst other things that there would be red kangaroos in the forecourt of Australia's exhibit. The Commissioner General with a smile on his face said something like 'Ye gods they Roger each other all the time'. Sir William turned to me and asked what that meant! I did my best not to embarrass him.

The Snowy Scheme's contribution to the construction industry and construction materials

The Snowy Mountains Authority contributed much to the development of Australia. It established a market for large scale contracting. Initially most of the contractors came from overseas. But as has been mentioned Theiss, an Australian contractor grew significantly as a result of the contracts it undertook.

When the Snowy began its operations it was very difficult to obtain good quality uniform cement. Similarly, steel quality especially in the high tensile area was not up to world standards. Working through his old colleagues in the Water Board, Sir William managed to persuade Berrima cement to produce a product with the quality that was needed for the construction of major engineering structures particularly in a construction area where there were repeated freeze thaw cycles as in the Snowy Mountains area.

BHP was informed that if they were not prepared to make steel of the right quality the Authority would import all of its requirements. I'm pleased to say that BHP rose to the challenge.

As well as construction materials quality the Authority recognised the shortage of contract inspectors and so established a training course which was designed and run by Professor Tom Leech who was in charge of laboratories at Cooma Back Creek. He was a professor at Auckland University and was recruited from there. It was a rigorous course and those who passed it graduated and were given a certificate which became a highly prized document in the construction industry. Many of those trained in that course went out into the wider construction industry with good effect.

109 construction squadron

While I was on the Snowy Scheme I was one of a small number of employees who together made up this small unit in the Army Reserve. Our commander was Major Brian Jagger, a returned serviceman who had won the Military Medal while on active service. He was at the time, like me, an engineer on the Snowy Scheme. He was very laid-back and was a despair to the Orderly Room, staffed by regular Army personnel, which serviced us. He rarely responded to their correspondence and when asked why he would calmly say he read it and threw it in the bin. I went through the first appointment process and was appointed Second Lieutenant – not really very senior.

We had a lot of fun when we went to a few weekend camps at Casula, near the Army base at Holsworthy, south-western Sydney and at North Head in Sydney. The most interesting thing we did was to build a Bailey bridge across the Georges River near the Army base.

Brian was an interesting colleague in many ways. One of his other initiatives was to start a speakers group called the Toreador's Club whose motto was Fight the Bull. We used to meet monthly and the Chairman for the evening, and we took turns at this, would ask members to speak off-the-cuff on a subject of his choosing. Most were quite challenging. One example I remember was what difference would it have made if we had five fingers instead of four? I remember one point the speaker made was that it would make it possible to pick up more empty beer glasses.

Both of these things are examples of the great spirit that existed amongst those of us who worked on the Snowy Mountains Scheme.

Building a house at Narooma

Living in Cooma we decided it would be nice for the family if we could manage to build a small house on the south coast at Narooma. We drove down there one weekend to explore the possibility of buying a block of land. That in itself turned out to be quite an adventure. Whilst driving around and looking we came round a bend and suddenly a car coming from the other direction had a minor collision with us. No one was hurt and we exchanged names, addresses and insurance details. And I thought that was that.

But about a week after our land search Nan rang me at work to say that a policeman had knocked on the door demanding to see me. He wouldn't say what it was about. I got in touch with Pat O'Day, an ex-policeman and then the head of our Protective Services Division and asked him if he could find out what it was all about. He did this and told me that I was being accused of negligent driving, in that I had been travelling fast around the corner and had swerved, swung out and struck the car, which in fact had run into me. I told Pat I wasn't driving fast, I was going very slowly as we were looking at possible land purchase sites and the kids were in the car with me. He said 'Well it'll be your word against hers'. Pat said it seemed that the driver of the car which belonged to her husband was her boyfriend and she was trying to make the best of being caught out. I was then told the best way forward was to make a completely opposite statement to hers and in those circumstances the matter would be thrown out by the police. So he asked me to sign a statement form which he would fill in. I did, and never heard another thing about it. In lots of ways that is rather a troubling story but I felt I had no other option in the circumstances.

We found a block of land which was available for £160. It was opposite the caravan park near the beach. It was a great location.



Nan inspecting construction



The finished product.

At the time we were contemplating buying a new fridge and I didn't know whether we could afford to do both and if not which should we do. It was Nan's mother who finally pushed us in the direction of buying the land and saying that they would help us with financing the fridge. I'm not sure whether that actually happened but we did in fact buy the land.

I had a slight advantage in finding my way around the small township of Narooma through our neighbour in Cooma, the Hunters, the wife of whose brother, Don Ramsay, lived in Narooma and was an oyster grower. Amongst other things he put me on to a good builder in the township and we agreed on a plan and price for a simple fibro home with a large living area a small kitchen a small bathroom with a shower and toilet and two bedrooms one of which had three bunks.

We spent many happy days in our small cottage during school holidays. The boys allowed me to give them a crew cut at the beginning of the long Christmas break and they made great use of the beach.

We used to pack up the car with all our bits and pieces including a lawnmower, our dog and for a time our budgies in a cage. The dog was given a carsick pill and travelled comfortably under the feet of the front seat passenger. He loved the beach and would often chase crabs. On one occasion he was so keenly involved that he seemed unaware of fact the tide was coming in. Finally, he was stranded on a small rock surrounded by water. I had to rescue him.

We later bought a boat. It was an old rather heavy wooden five-metre boat with a good size motor on the back. We did a lot

of fishing and caught a lot of fish mostly out near Montague Island. Later we swapped that for a lighter aluminium boat about the same length with a slightly larger motor on the back. Fishing near Montague Island meant going out over the bar at the mouth of the Wagonga Inlet. One of my friends was drowned there when his boat capsized. It was always my practice to look at the pattern of the waves from the cliff above the bar for a time before I attempted crossing the bar at all. The full strength of the motor was necessary heading out into the waves and importantly riding on the back of one on the way in over the bar.

We also used the boat for water skiing on one of the lakes near the Narooma, that was fun. Sometimes there was a race between Grant and Rod to take charge of the boat. I remember one occasion when Grant jumped in the boat and took off only to look back and

see Rod standing on the shore holding the bung aloft in his hand! Grant quickly came back to the shore and we all had a good laugh about it.

Building a second Narooma house

In 1980 there was an opportunity buy a nice block of land further away from the beach but on the shore of the Wagonga Inlet. At the time one of Rod's friends was studying and in the final year of a degree in architecture. Rod persuaded him to design a house based on the ideas I had. He did this very well and a builder whom I had come to know quite well was engaged.

It was a nice layout, four bedrooms with the dining room and living area divided by an elevated two-way fireplace. It had room underneath to store two cars and the boat and



Home after a visit to the beach



The three boys at the back of the house

also included a small galley style kitchen and sleeping area. It had a long, wide verandah facing the water. It was great house in a great location. I thought then it would be a good place to retire to.



The 'new' house at Narooma

After I had moved to Sydney in 1982 I tried to make it work as a holiday home but the journey of five hours was just too long and in any case I no longer had any idea of retiring to Narooma. So I sold it.

New Years' Day parties

We began and continued a tradition of parties at each of these houses on New Year's Day. They began late morning and continued on through the afternoon. Those attending included friends from Cooma, some of them had holiday houses in Narooma, others were those who liked to stay there regularly for a few days over Christmas and our friends who were locals. They were great fun and I used to put on a special punch- a bottle of gin, a bottle of pineapple juice and a bottle of soda water. There was always plenty of food and I don't recall anyone ever over imbibing.

Holiday houses on the Central Coast

While living in Sydney Nan and I had a series of holidays houses on the Central Coast. The first was a townhouse at the top of a steep drive in Avoca. We used it a bit but it was too far away from the beach and the shops so we sold that and bought an apartment above some shops in the town. There were problems within the corporate body between the requirements of the shop owners and the residents. The residents did not want to contribute to the cost of maintaining the toilets behind the restaurants and the shop owners did not think they should contribute to the upkeep of the lift to the apartments. I took on the chairmanship of the corporate body and spent a lot of time sorting things out.

Later we sold Avoca and bought a larger unit in Terrigal in walkable distance of the beach. This unit was sold after our separation. I also bought an investment property in Terrigal which I thought could be useful if any of our sons and their wives wanted to spend time with us in Terrigal. It was let at other times but I found this to be a traumatic experience as people had the tendency to be light fingered and stole things like instruction manuals and mattress protectors. I chastised the agent but he assured me they carefully checked potential tenants. I was not impressed and sold the unit.

Leaving Cooma

During my 17 years on the Snowy Scheme I worked closely with the Sir William Hudson and each of the two Associates over different periods as their office engineer in the case of Lang and Merrigan and as Assistant to the Commissioner in my final two years on scheme. The contrast between Lang and Merrigan was interesting. Lang was a

perfectionist and Merrigan not so precise. He summed it up well by telling me when I worked for him that Tom Lang wanted a 95% plus outcome and that took time, whereas he was happy to go with something in the 80% plus and get it done more quickly. Interestingly it was Merrigan who nominated me to be District Representative on the ABC Advisory Board. This meant going to Canberra for meetings once a month to comment on and discuss the ABC programs. Meetings were not very inspiring as I remember them and I'm not sure that that I was able to make much of a contribution.

The Snowy was set up to be a finite organisation. It was essentially a 25-year operation. There was a deal of worrying towards the late 60s and members of the Authority started asking why can't there be a future. We are a pretty good organisation and shouldn't we be doing other things.

We did in fact put together a fully considered and detailed proposal to establish the Authority in northern Australia even to the point of suggesting the location of the headquarters with some ideas on what development could be undertaken. This was put to the Minister who was David Fairbairn at the time and of course ended it up in his department which was then headed by Len Hewitt who didn't like Sir William much. This was perhaps because he was a bit jealous about Hudson's reputation for getting things done which Hudson justifiably deserved.

The upshot of this effort was the establishment within Hewitt's Department of a section set up to consider development of northern Australia which was headed then by Rex Patterson. Nothing much was achieved and Patterson subsequently went into politics.

The Snowy Mountains Engineering Corporation (SMEC)

This stirring had some success because one good thing happened. As a result of it the Snowy Mountains Engineering Corporation was formed and a lot of Snowy Scheme engineers were retained in that organisation. Its first Chief Executive was my close friend Doug Price, and over the years SMEC has done a lot of good work both in Australia and overseas. If I'm up-to-date with what happened I think the staff of SMEC who bought it from the Government sold the organisation to Worley Parsons and did quite well out of it.

Canberra, politics and relationships

Through my involvement with Jack Garrett, which involved much more than our mission to the World Bank, as I used to be the Engineer sent to Canberra for such things as the estimates. (Sir William didn't like Canberra. He was sometimes referred to as the Lamb of Canberra and the Lion of Cooma). I had therefore come to know and respect senior public servants. I thought it would be interesting to seek a role in that service for a time.

My first attempt to get into public service failed. My former next-door neighbour in Cooma, Ian Sargent, was leaving a job in the Department of National Development on materials handling. He suggested I might apply for it. I needed to get into the second division of the public service to maintain my salary level. But I didn't do a lot of homework on the job so didn't present my case well and didn't even get an interview.

Later I saw another job advertised which was not available to outsiders as there were strict rules on recruiting into the public service, particularly at a senior level, at that

17th April, 1967.

TO WHOM IT MAY CONCERN

Mr. Morrish Alexander Besley joined the Snowy Mountains Authority as a Civil Engineer Grade 1 in October, 1950. Initially he was engaged in the Civil Engineering Design Section on the preparation of designs for the 60,000 kW Guthega Project and for the 320,000 kW Tumut 1 and 280,000 kW Tumut 2 Underground Power Stations.

In 1954 and 1955 he served with the Major Contracts Group on duties associated with the administration and management of contracts for the construction of the 14-mile long Eucumbene-Tumut Tunnel, the 280 feet high Tumut Pond Dam and the Tumut 1 Power Station. He later returned to the Civil Engineering Design Division where he was engaged on the preparation of contract specifications for the 220 feet high earth and rockfill Tooma Dam, the 9-mile long Tooma-Tumut Tunnel and the Tumut 2 Underground Power Station.

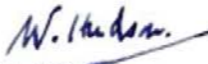
In 1959 he was transferred to the Development Division and in 1962 became Engineer for Project Investigations. His work was associated with proposals for the general development of the hydro-electric resources of the Snowy Mountains Area and the integration of the Snowy Scheme's electricity production with that of the New South Wales and Victorian State Generating Systems.

In 1952/53 Mr. Besley was selected for in-service training with the United States Bureau of Reclamation. In 1961 and 1963 he was given a number of overseas assignments which included negotiations with the World Bank in connection with Australia's loan of \$100,000,000, the recruitment of engineering staff in South Africa and Europe, and inspections of various hydro-electric projects to report on developments in engineering techniques.

In mid 1964 he was appointed as the Head of the Tunnels and Aqueducts Branch of the Civil Engineering Design Division and in December of that year joined my personal staff, occupying the post of Assistant to the Commissioner.

I cannot speak too highly of Mr. Besley's ability in both the academic and practical sides of civil engineering, in fact I regard him as being outstanding in these fields. His capacity for output is equally commendable. He also has a flair for administration and management. Without hesitation, I can strongly recommend him to anyone requiring the services of an Engineer for a top position in engineering or business management.

On resignation Mr. Besley was classified as Executive Engineer Grade 2 on a salary of \$10,605 per annum.


W. Hudson,
Commissioner.

Reference from Sir William Hudson

time. Nevertheless, I applied for the job having done quite a bit of research and put together what must have been at least an eye-catching or perhaps cheeky submission to the head of Department. Within a week of my putting my hat in the ring I was invited to have lunch with him at the Commonwealth Club which I learned later was a place where many deals are done.

His name was George Warwick Smith and he was head of the Department of Territories. We lunched and talked at length. The upshot was he said he would seek to persuade the Public Service Board to let him advertise a job one rung lower which would be open to outsiders. I could apply and if I was successful and it worked out in his department he would promote me within a year to the level which I currently occupied. I applied for the newly advertised job and was successful. It was a whole new area for me and I knew I had much to learn.

The department's activities covered the Northern Territory and the External Territories of Papua New Guinea, Norfolk Island, Cocos Keeling Islands, Christmas Island and Australia's interests in Nauru. The major activity at the time centred on the movement towards independence of Papua New Guinea.

Moving to Canberra, 1967

Having secured a job and settled on a starting date the next move was to buy a house in Canberra. I had talked to the bank and a housing loan could be arranged in addition to a loan which was available from the National Capital Development Commission. I had also taken advice about the money I had in superannuation. On that latter item I was given incorrect advice from a very senior person in the Public Service Board. I was told I could not have continuity and I therefore should cash in my super. It was handy to have that as a contribution towards the house

purchase but it would have been better if I had been able to have continuity and leave the money in the Super Fund. That would have meant a much better defined benefit pension than I now have.

The Bank suggested a good real estate agent and we began our search. I had drawn up a checklist of what we needed; four bedrooms, separate dining and sitting areas, a double car garage and room to make appropriate gardens. The agent who was recommended turned out to be quite a good friend. He found a place for us in Curlew Crescent in Garran which was then one of Canberra's outer of suburbs. In those days not long after conversion to decimal currency house prices were still quoted in pounds but loans available through the National Capital Development Commission were quoted in dollars. It made any house seem much more attractive!

While waiting for our Canberra arrangements to settle we stayed in some units in Deakin. We weren't there for long and as it turned out it was not far from the high school, Deakin High, which our boys subsequently attended.

Our belongings were transferred to Canberra by Grace Bros and held in the store at Fyshwick until we needed them. Grace Bros gave basic insurance cover and the owners of the goods and chattels could take out an additional amount if they so chose. I recall being asked whether I was going to do that and replying to the effect I didn't think much could happen for the few days that the goods would be in storage. A lot did! On the night of Empire Day 24 May 1967 Grace Bros store in Fyshwick burnt down. We had driven to Canberra with a few clothes and fortunately some photographs and documents such as bank books, passports and important certificates.

We had to basically completely restock. I recall one startled shop assistant when we were buying four beds and fittings looking at Nan and me and our three boys and asking have you just got married and had one of you had a family before that. We explained what had happened.

Department of External Territories

Minister Charles Barnes: The first of the several ministers I worked for in the Department of Territories was Charles Barnes a true country gentlemen who owned a rather good racehorse called Tails. Not long after I was appointed I was detailed off to accompany the minister to Christmas and Cocos islands.

Although I had held an official Australian passport before when I went to the US as a Snowy Engineer I needed a new one and for this it was discovered I needed to be naturalised. This had to happen in a hurry because the schedule was in place. The Minister for Immigration at the time was Billy Snedden whom I knew. A quick ceremony was arranged in his office one afternoon and I had my naturalisation certificate! My new passport was issued.

We flew to Christmas Island in a VIP plane, a great way to travel! There is a small community there and the only industry is a phosphate industry. It is an important listening post though for both surface and underwater craft. I was to become involved a little later with Phosphate Commissioners who represented England and New Zealand as well as Australia. The Commissioners had the responsibility for managing the phosphate operations. The phosphate on Christmas Island is not particularly high-quality and is beneficiated before being shipped off the island. By contrast the phosphate deposits on Nauru and Ocean Island, also managed by

the Phosphate Commissioners, are very high-grade.

The island has two interesting wildlife species - red crabs and funnily enough, rare red-footed booby birds. The latter are protected. Once a year the crabs would scuttle across the higher plateau of the island heading for the lower levels near the water to lay their eggs. When they were moving it was like looking at a carpet of moving red and one simply could not avoid them. Driving around the few roads at migration time a large number of crabs get crushed. The smell of cooking crabs on hot exhaust pipes was very evident.

The island has also, for two different periods, (one of which is current) served as a holding area for refugees. Some have since either been accepted as Bona Fide refugees and settled in Australia, or sent back to the country of origin or sent to other refugee holding areas in Nauru or Manus.

From Christmas Island we flew to Cocos. It has a full-size runway which for a long time was a staging and re-fuelling point for air travel between Australia and South Africa. There is a Government Administrator on the islands which are currently leased by the Clunies Ross family - John at that time - under a long-term arrangement with the Australian Government.

The population is mainly Malay and main industries are coconuts and their products and fishing. It is curious in the sense that it has its own currency and I can recall being taken to task by Clyde Cameron a Labor politician for not taking a stand on that and insisting the island should use Australian currency. He never raised it in the parliament or anywhere else so it never became a political issue.

John was a gracious host for the first part of the day but after lunch we had a scheduled meeting during which he sat

on a raised platform on a high rather large chair looking something like a throne. He became quite rude in my view, accusing the Minister of not supporting the islands as the Government should and saying that it should provide greater financial assistance. I found it necessary to intercede from time to time.

We returned to Canberra and this journey provided a very good opportunity for me to know the Minister much better. He talked a lot about Tails and I speculated that he had a great relationship with his horse. He said in fact he did and instanced an occasion on which when calling to the horse to come and get his oats Tails did not come up to his feeding box and instead had kept raising his front right foot. When Charlie went to look at the horse's foot he discovered that a sharp stone had wedged there.

We made several trips to Papua New Guinea all in the VIP plane and covered a great deal of the Territory. I was impressed with the resources and the fertility of the land but the state of development in many parts of the country had a long way to go. There was a general lack of institutional structures and the pressure for bringing the country to independence was beginning to mount.

As well as ministerial visits with Minister Barnes and others that followed I used to go there about once a month. The Administration in that territory was doing a very good job but the general level of education was still not very high.

One of the tasks I had was to make recommendations on the structure of the country's public service. I could see no point in simply suggesting the adoption of our system so I put together a group of senior local officers as we called them and met with them regularly over a number of months. What I wrote in my report was very much a reflection of the ideas of this group

formulated. It gave me a clear understanding that they recognised others would be coming up better educated than they were so the service should be structured in a way which made it easy for them to enter and advance.

Tori Loko Loko was appointed to head the newly formed PNG public service. We decided it would be helpful if we could get a Black man to talk about a well run Public Service and were able to secure the assistance of a Ghanaian, one A O Mills who had been a senior officer in the Treasury and head of the Public Service in his country. He was a delightful man. I later was glad of the opportunity of meeting him in Ghana.

One of the interesting things we did was to take Tori Loko Loko and another senior local officer Sinake Geri Geri to New York to see the Fourth Committee of United Nations in operation. It was the Fourth Committee of the UN which was pushing the Australian Government to get on with settling the independence of Papua New Guinea. Alan Kerr, a Senior Officer in the Department who had also been a patrol officer in PNG, and I took the two of them to see the committee in action. We had a moment of anxiety when we lost track of Sinake one night in New York. We found him after a time and all was well.

I came back to Australia and Alan brought the two of them home through some African countries. I think it was in Kenya that one of the high commission staff introducing them referred to Alan as Alan Kerr Kerr. Andrew Peacock, who was minister after Charles Barnes, never forgot this and always chided Alan about his new name.

There were some powerful expatriate land owners growing high-grade Arabica coffee, tea and palm oil in PNG. Coffee and tea were grown in the highlands and palm oil in the coastal areas particularly around Rabaul and Lae. These agricultural ventures were later

bought by the Australian government from the expatriate land owners and given to the indigenous population. Years later on a visit to PNG I was dismayed to see much of this industry had been allowed to run down.

Minister Barnes retired and was succeeded by Andrew Peacock.

Minister Andrew Peacock

Andrew and I made quite a number of trips to Papua New Guinea. I recall some in particular. The first was to Bougainville Island where CRA was mining the Gold and copper deposits. We inspected the mine and Andrew was taken up in the helicopter to get a better overall view. He was having sinus trouble and wasn't feeling particularly well when he landed. He was urging the party to go on and leave him. This I thought was a bit theatrical and so I said Minister I'll stay with you and we will go and sit in the warm surf until you recover. We did just that and eventually linked up with the rest of the party.

Second was at the time of ceremonies leading up to Independence. The dignitaries were to be housed in Government House but Andrew wasn't sufficiently high on the pecking list to be fitted into the limited accommodation available there. I was detailed to find accommodation for him but when I showed it to Andrew and Susan his wife, she announced in no uncertain terms 'I am not staying in there with him'. This caused a bit of a problem but eventually they agreed to stay in the Motel. They both attended the dinner at Government House that evening and the after-dinner drinks to which I had also been invited. Susan over imbibed and was seen at one stage with her legs up across the arm of an armchair. It was then that I decided to take my early leave of the function.

On another occasion we were flying back from Rabaul and it happened to be Andrew's

birthday. I had prepared for this and had asked the pilot to circle when we were over the Trobriand Islands which are the Islands of Love. We did this and I produced a bottle of champagne to wish Andrew a very happy birthday. He was quite chuffed.

Later as Independence Day approached I had a very sensitive task directed by Andrew to ensure that the Australian Government's important documents were retrieved. This brought me into contact with the head of the PNG library - a very left wing expatriate woman who accused the government of trying to take away the country's history. She was a bit of a problem but eventually all that needed to be taken back to Australia, including some acquired by other means, was. Andrew playfully said he had sent me to do this and I had stroked the leg of the librarian and she had eventually surrendered the documents. Not true as in my view she was definitely not one to stroke, but it was a story he loved to tell.

There was some concern at the time that the communist movement would seek to infiltrate the labour unions in Papua New Guinea. It was an issue which many considered should be watched closely. One of those who did a lot of watching, particularly in the area of education, and who sought to circumvent this was Bob Santamaria of the Democratic Labour Party movement. I had a bit to do with him at the time found him to be quite a remarkable man.

Minister Bill Morrison

When the Whitlam Government was elected in 1972 Bill Morrison became the Minister for Territories. He was very different from his predecessors. I found him to be particularly brusque and quite rude to many of his personal staff. Despite that he had a pretty good team and they were very loyal to him.

Whitlam had made it clear he wanted to see Papua New Guinea independent as soon as practicable and there was continuing pressure from the Fourth Committee to get this done. And so the pressure increased.

Papua New Guinea independence

Elections in 1972 had resulted in the formation of a ministry headed by Chief Minister Michael Somare, who pledged to lead the country to self-government and then to independence. Papua New Guinea became self-governing on 1 December 1973 and achieved independence on 16 September 1975.

PNG in retrospect

During my time in Papua New Guinea on all Ministerial and many other Departmental visits I saw a great deal of the country from Vanimo on the border of West Papua through the Highland towns of Mount Hagen, Goroka and Mendi to the coastal areas of Poppo, Lae and Madang and the small township of the Fukawe tribe to the west of Port Moresby. I also had cause to be in most the main offshore islands.

Memories include the sight of young Chimbu women with their bare bosoms sorting coffee beans by hand, the spectacular dress of the Highland tribes and the welcome Minister Barnes received on a visit to talk to the Fukawe people. We landed on the small rather scary airstrip and were a little surprised to find nobody around. Soon however we were regaled by shouts and whoops as people began prancing down the hills surrounding the strip wearing what seemed to be some kind of sporrans. It was a little scary at first, but this turned out to be high-class traditional welcome. The Fukawe people are excellent bowmen and traditionally take out the prize at the Mount Hagen show.



Highlanders at Mount Hagen

One event I recall was a potentially looming problem which could have turned rather nasty. It was at the time that the Mataungan people who were centred around Rabaul were becoming a little restless. Intelligence received in Canberra suggested that they might well go on a Rampage in Rabaul and possibly damage some of the expatriates housing. At the time the head of the department was not in Canberra and this information landed on my desk. I thought it proper to make contact with the Department of Defence and found myself explaining what we had learned to a group of senior bureaucrats and military personnel. There was some slight concern that it seemed not possible to contact the Department head. However the upshot was they were convinced there was a potential problem and two Naval warships were sent to be in close proximity to Rabaul. In the event nothing untoward occurred but it was agreed in a post mortem discussion that I had taken an appropriate course of action.

In my view, independence came too early to PNG. It didn't have the institutional structures in place to cope. It is a country rich in resources and one of significant strategic importance to Australia. It is and will continue to be for sometime, very dependant on Australian financial aid.

I can remember taking a group from the Department to a Senate Estimates Committee. We were all prepared to answer questions about what was being done and at what pace to achieve that country's independence. Imagine my surprise when the first Senator to appear was Lionel Murphy. He was not a member of that particular committee but any Senator could appear at any time of their choosing.

His first question was 'What are you doing about the rabbits on Phillip Island?' This had nothing to do with Papua New Guinea. Phillip Island was a small rocky Island just off the coast of the larger Norfolk Island. I knew where it was and fortunately was aware that an eradication program was underway and so escaped any embarrassment. He chose not to ask anything about Papua New Guinea. Other Senators did and we fielded their questions successfully.

The Whitlam Government, as most incoming governments do, changed the Administrative Arrangements Order. The Northern Territory responsibilities were transferred to the Department of the Interior and we became the Department of External Territories. George Warwick Smith was moved to the Department of the Interior and David Hay the former Administrator of Papua New Guinea became the head of the Department of External Territories.

Between the time the Northern Territory responsibilities were transferred and replacement of George by David as the head of the Department of External Territories a number of the staff from the old department of Territories had by choice transferred to the Department of the Interior. This was done voluntarily and quite a number opted to do this to get away from George who was regarded as being somewhat difficult, but not by me. Many of them were dismayed to

find themselves in a Department once more headed by George.

The Phosphate Commissioners

The Phosphate Commissioners, representing Australia, The United Kingdom and New Zealand were charged with oversight of the extraction of phosphate from Nauru, the nearby Ocean Island (Banaba, now in the Republic of Kiribati) and Christmas Island. The Department of External Territories serviced the Australian Commissioner, Sir Allen Brown, and that became very much my responsibility to manage. Sir Allen had been the head of the Prime Minister's Department in the Menzies Government. He was appointed to that position in his late 30s and was at that time the youngest Department head. He came to like the odd scotch whisky!

One of the more interesting characters I met in this role was Hammer DeRobert the President of Nauru. This was not long after it had become an independent republic in January 1968. DeRobert was a school teacher turned politician who became a very effective leader of the Nauruans and came to Australia regularly. He was a very large man with a cheerful disposition and was always accompanied by some much younger, good-looking Nauruan women. This is probably why he was always so cheerful.

There was also a role for the Department to provide assistance to Nauruan students who came to study in Australia. They were mixed bunch. Some took study very seriously but unfortunately some had no desire to do anything but go back to Nauru and as one of them put it to me, to relax under a palm tree and share in the benefits the phosphate royalties.

When Nauru became independent in 1968 it bought the phosphate mining operations from the British Phosphate Commission. Drawing on their investment funds, current phosphate earnings and Japanese loans Nauru completed payments of the full purchase price of \$21 million on 18 April 1969 more than a year ahead of schedule. The official handover ceremony of the operations to the Nauru Phosphate Commission took place in Melbourne at Phosphate House on 30 June 1970.

There had been reference in the Australian Parliament in 1963 to the possible resettlement of the Nauruans on Curtis Island off the coast of Queensland. This could have raised all sorts of issues, primarily concerning citizenship and taxation but in 1964 the Nauruans said they no longer sought resettlement.

While the mining operations on Ocean Island were managed by the Phosphate Commissioners, Ocean Island's political status was very different from that of Nauru. Whereas Ocean Island was part of the Gilbert and Ellice group and was administered by Britain. Nauru had been a German colony but had been administered since the First World War by Australia on behalf of partner governments, Britain, Australia and New Zealand. It became an Australian territory shortly before its independence in 1968.

Towards the end of 1971 the Banabans, from Ocean Island were not satisfied with the deal they were getting and had been unable to negotiate a better deal with the partner governments. This was largely because of the intransigence of Britain so the Banabans took their case to the British High Court. This action caught the Phosphate Commissioners and their Governments by surprise. It dragged on for many years and was finally overtaken by political developments. However, the various attempts to settle the matter out of

court, none of which had been successful, led New Zealand to pursue the outstanding issue of the future distribution of all assets and surpluses held by the British Phosphate Commissioners.

Meetings of representatives of the three countries took place over a couple of days in Fiji. I was part of the Australian delegation. The key issue was whether distribution should be based on the original 42:42:16 share of capital input from Australia the United Kingdom and New Zealand or some other basis. New Zealand proposed it should be based on the use of phosphate. It was a reasonably robust discussion with an equitable outcome. Rather than 42:42:16 the outcome was in fact based on usage and gave Australia 47.5% the United Kingdom 31.5% and New Zealand 21%. It was made conditional on the Banabans agreeing to an out-of-court settlement and they did not. Subsequently however after a court hearing and the settlement of a number of issues affecting the Banabans, this division was agreed.

At one point a question was asked which required calculations to be made. Without thinking particularly about it I automatically reached for my nine-inch slide rule to work out the answer. I became aware that the delegations were looking at this but I gave the answer anyway. I have to say that ever after that, if the question of numbers came up it was to the Australian delegation that the others looked for an answer! I rather enjoyed that.

The Banaban story mis-reported

More recently I was concerned to see article in the ANU Reporter which under the heading of Australia's Shameful Chapter which told a story about the Banaban nation that was factually incorrect. I wrote to the editor about it and set out below what I said in my letter.

Dear Editor
ANU Reporter Volume 49 Number 1

I recently came across an article titled Project Banaba - Australia's Shameful Chapter by Kate Presst. The article is misleading in its attempt to simplify a series of significant events which occurred over a number of years.

The article states that Australia mined islands including Banaba from 1900 to 1980 and refers to the forced removal of 1000 people from Banaba in December 1945 some four months after the end of the Second World War.

Presst's report refers to the multi media exhibition at Cambridge Works in Sydney staged by ANU Associate Professor Katerina Teaiwa which she would like to see displayed in Canberra, Melbourne and Adelaide this year

For a time in the late 60s and early 70s I was a senior Commonwealth public servant employed in the Department of Territories which amongst its responsibilities had a support role to the Australian Member of the British Phosphate Commissioners. There were two other Commissioners, appointed by each of the United Kingdom and New Zealand governments. The Commissioners oversaw the mining of phosphate from the Islands of Nauru and Banaba under a tripartite mining agreement between the three countries. Banaba was administratively linked to the British protectorate of the Gilbert and Ellis islands group.

During the Second World War as the Japanese advanced South in the Pacific they began systematically to occupy the Gilbert and Ellis Islands. They had not bombed the phosphate installations on Banaba and the supposition was that they wanted to preserve the plant for their own use. Based on this

expectation a decision was taken to destroy the plant to deny this to the Japanese. Demolition took place in December 1941.

As the war progressed, planning for the evacuation of Nauru and Banaba was complex because of the other priorities of the war facing Britain, Australia and New Zealand but in February 1942 most of the Banabans were evacuated to Malekula. The remaining 2413 people, including almost 1000 Banabans who stayed were later taken off the island and imprisoned by the Japanese in the Tarawa and Caroline Islands.

After the war ended it was soon clear that much needed to be done before the phosphate operations could be resumed on Banaba. The Japanese had destroyed the Banabans' villages and until the phosphate operations resumed there would be no money to rebuild.

The Banabans owned Rabi, an island in the Fiji group. It had been purchased on their behalf in 1942 with money from the Banabans' funds. This followed an earlier request by the Banabans to the UK Government to buy them another island. Those who had been evacuated to Malekula were moved to Rabi along with those who had been imprisoned by the Japanese. It is assumed that these are the 1000 referred in the ANU Reporter article. At the time of their being moved to Rabi they were given the option of being returned to Banaba after two years, if that was what they preferred. There does not appear to be any record of this option being exercised.

There are many factors and the actions taken but not recognised in the article. To single out Australia in a tripartite operation overseen by the Phosphate Commissioners on behalf of their governments gives a completely misleading account of responsibilities.

It might be useful if Professor Teaiwa were to refer to a history of the British Phosphate Commissioners and the Christmas Island Phosphate Commission entitled The Phosphateers by Maslyn Williams and Barrie Macdonald. It was published in 1985.

Yours faithfully
M A Besley

Norfolk Island

The government had an Administrator on Norfolk Island which had its own form of government. Until 1 July 2016 Norfolk Island residents had special taxation arrangements but on that date the Australian tax system was extended to the Island except for the payment of GST from which they are exempt as are the residents of the other external territories Christmas and Cocos Islands. There are many families on Norfolk who are descendants of the Pitcairners and the Mutiny on the Bounty. They are fiercely independent minded. I've been back more recently in a private capacity twice since leaving the Public Service. This is very much still the case.

The tax advantage enjoyed there for many years led to the registration of a very large number of Australian companies in that territory. One accountant there, Neil Halley McIntyre, held the registration documents of many of those companies. Curiously but perhaps not surprisingly Norfolk still has available duty-free shopping for tourists. Tourism is its largest industry.

Norfolk was one of the harshest convict settlements and has a history of brutality. Many well-researched historical documents clearly spell this out.

Sarah and I visited Norfolk Island twice in later years. On our first visit in 1986 we hoped to see Halley's comet in the clearer atmosphere of the island and we did. The comet is visible every 75 to 76 years and I recall my father saying he had seen it twice.

On our second visit our friend Alan Kerr whom I originally met in the Department of Territories, was Administrator. It was fun catching up with him in that role and he looked after us well.

The Coombs Taskforce

One of the things the Whitlam Government did soon after taking office was to establish a task force under the Chairmanship of Nugget Coombs. I'm not sure how but I was selected as a member of that committee and was the most junior as a First Assistant Secretary of all of them. Other members were John Stone a Deputy Secretary of Treasury; Stuart Harris, Deputy Secretary of the Department of Overseas Trade; R D Phillips, Deputy Director-General, Department of Civil Aviation; Jim Spigelman, Senior Advisor to the Prime Minister; and Paddy McGuinness, a somewhat controversial journalist. Our task as spelled out in the Prime Minister's letter of 28 March 1973 was to scrutinise the continuing policies of the previous government so that room could be found for the Whitlam Government's higher priority programs. We were requested to serve in our personal capacities as distinct from departmental or other capacities.

Between us we identified 141 items, 49 of which dealt with mining or rural matters including assistance given to people in remote or isolated areas. Country Party members then in Opposition called the Coombs' Report a very dangerous document. This was a political response to what was seen as an attack on "sensible" policies of the previous government.

Moving to Treasury

At the time the Department of External Territories was to be abolished, I had the task of making sure our manuals were up-to-date and preparing the Department for this. Not a particularly rewarding exercise. About that time though I had a call from my friend Jack Garrett, Deputy Secretary in Treasury who suggested that I might apply for a job about to be advertised as head of the Foreign Investment Division. He and I had kept in



Prime Minister,
Canberra.

28 March 1973

Dear Dr Coombs,

The purpose of this letter is to confirm to you the outcome of our recent discussions, arising out of Cabinet's Decision that—

'Action be set in train to apply a close scrutiny to continuing policies of the previous Government so that room may be found for our own higher priority programs.'

As you know, I regard the importance of such action as self-evident. Quite apart from any other consideration, a thorough-going review of the policies of our predecessors seems to me highly desirable in its own right. Over and above that, we have a lot to do ourselves and it will be important that we should have the widest possible options available to us in instituting our own programs.

In the light of our discussions, I have concluded that the only effective way in which the close scrutiny of the previous Government's continuing policies can be carried out is through the setting up of a high level 'task force' for that purpose. You have agreed to serve as the leader of that task force.

It is essential, I think, to keep the task force small and I am proposing the appointment of six people of appropriate standing and capacity to assist you, namely—

Mr M. A. Besley, First Assistant Secretary, Department of External Territories

Dr S. F. Harris, Deputy Secretary, Department of Overseas Trade

Mr R. D. Phillips, Deputy Director-General, Department of Civil Aviation

Mr J. J. Spigelman, Senior Adviser to the Prime Minister

Mr J. O. Stone, Deputy Secretary (Economic), Department of the Treasury

Mr P. P. McGuinness, Senior Adviser to the Minister for Social Security.

I am requesting that these officers should serve in their *personal* as distinct from departmental or other capacities.

As leader of the task force, you will have the right to call on departments for such information, and for the preparation of such papers, as you deem relevant to your inquiries.

So far as purely administrative aspects are concerned, you have authority to make such arrangements as you deem appropriate in the circumstances. No doubt those appointed to assist you would in any case be able to draw on their own departments for 'back-up' in the pursuit of your inquiries.

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touch following our interesting mission to the World Bank.

I asked Jack what he thought a civil engineer could do in the Treasury and he simply said I should apply for the job. I did this, my appointment was gazetted and I found myself subject to the appeal process of the Public Service. A serving officer in the Treasury felt he had a better claim to the job than I did and the appeal process took place. It was all very new to me and undertaken very formally. He didn't succeed with his appeal and I found myself in the Treasury in a very interesting area of its activities. From the outset I got on very well with the head of the Department, Sir Frederick Wheeler.

The Foreign Investment Division of Treasury

The only legislation operating in this area at the time I moved to the Treasury was the Foreign Takeovers Act. There was a Committee on foreign takeovers (COFT) which included representatives from the Prime Minister's Department, the Reserve Bank and the Attorney General's Department. It was essentially a type of interdepartmental committee which I chaired. A similar committee, the Foreign Investments Committee (FIC), with a wider range of Departments involved was established later. I also chaired this Committee. On observing the players I learned in which order to ask representatives to speak so as to keep control, get a good discussion and a decision in a sensible timeframe.

One of the departments represented on the FIC was the Department of Urban and Regional Development (DURD). The minister at the time was Tom Uren. He, and therefore his department, reflected a rather strong xenophobic approach to foreign investment. A classic example was the strong line put by the Department against an approach made by

Dame Joan Sutherland and her family, living in London at the time, to purchase a property in Sydney in which they would eventually live. There was no support for this despite the strong DURD push

Treasurer Frank Crean

Frank was a typical "cardigan wearing" Labor politician and a very nice man to work with. He liked the foreign investment area of Treasury very much and when later he was moved aside to the Department of Industry to let Jim Cairns in as Treasurer he wanted to take Foreign Investment with him to his new portfolio. He was quite upset when he found he couldn't do that and I recall an evening when Fred and I armed with a bottle of whiskey spent an hour or so with him to help him accept what had happened.

Treasurer Jim Cairns

Jim was an interesting man. He was intelligent, widely read and a bit of a Bohemian at heart. He was infatuated by Junie Morosi his Chief of Staff and had populated his office with two other memorable women. One was Glenda Bowden. When I met Glenda she asked me what was my favourite sport. I said golf as I was in fact playing every Saturday afternoon so I asked her if she had a favourite sport. Rather to my astonishment she said men! It was a rather weird office as the other female occupant made no secret of the fact that her thesis and been about the female orgasm.

All Division heads in the Treasury had a direct intercom line to the Treasurer and when Fred found out that Junie was monitoring those conversations he instructed us not to use them any more. She did some terrible things to the Treasurer including getting him to sign documents which he should never have signed. The two of them also often used to put on a show in the lobby restaurant

feeding each other during the course of the meal.

Jim also became involved in the aborted Khemlani loans affair as did Lionel Murphy the then Attorney General who gave an opinion that the loan was for temporary purposes and therefore did not need to go to the Loan Council.

Treasurer Bill Hayden

All of this led to the Whitlam Government becoming progressively more on the nose, Whitlam moved Cairns out of Treasury and put Bill Hayden in. I got on well with him and particularly remember two things. First he thanked me for my persistence and said his government now had a sensible foreign investment policy.

The second involved a story that Rex Conner was putting about in the Cabinet room. He said that Utah Construction was high-grading the coal deposits in the Bowen Basin. I expressed surprise and said I would talk to some of the colleagues I still had in that organisation. I phoned Boyd Poulson who had run Utah Construction's operations on the Snowy Scheme and told him what Connor was claiming. Boyd said the claim was nonsense and suggested that the Treasurer and I should visit the site and see for ourselves.

We did this and were made aware no one from Conner's departments or his office had been to the site nor had discussions with Utah. Subsequently, when the matter was once again raised in Cabinet, the Treasurer shot down the arguments. All of this was in the final years of the Whitlam Government

Governor of the National Gallery

After politics Hayden became Governor General and he must have had a good recollection of our working together when he was Treasurer. He contacted me and said he would be pleased if I would accept an appointment as a Governor of the National Gallery. He said it wasn't an onerous position and that I would probably enjoy it. I told him I was pleased to accept. It certainly has not been onerous. I have made a small donation or two. But I did announce myself once as a Governor when seeking a ticket to one of the gallery's exhibitions. To my slight embarrassment I was treated royally and given two tickets so that Sarah and I could attend.

A change of government

Fraser with his majority in the Senate blocked Supply and ultimately there was a Constitutional crisis leading to the dismissal of the Whitlam government by the Governor General. The day it happened I was in Sydney giving a briefing to a number of senior Japanese businessmen on the government's foreign investment policy. I became aware of a hotel employee coming up behind me and muttering something which eventually came over the PA system I was using. It was that Whitlam had been dismissed. The Japanese businessmen left the meeting room in a hurry and with that my briefing ended.

Fraser was appointed to lead a caretaker government, an election was held and the Fraser government came in with a significant majority. The Treasurer in that government was Philip Lynch.

Treasurer Philip Lynch

The new government wanted to change the foreign investment rules. As was often the case with Malcolm Fraser he sent his Country Party colleagues Doug Anthony, Ian Sinclair and Peter Nixon to sort out the matter out with the treasurer. Lynch was there but he was very much in the background. The Country party trio were all for a radical change. After some discussion I put the point of view that to make a significant change could signal an unsatisfactory approach to foreign investment in that it might look as though it could possibly change after every federal election and the sort foreign investment we needed was essentially patient money. This was eventually accepted so a different look was required and this led to the creation of the foreign investment review board, the FIRB. I would be the Executive Member and I was instructed to find a Chairman to lead the board and another prominent businessman.

I “found” Sir William Pettingell and Bede Callaghan the recently retired Chief Executive of the Commonwealth Bank. When I presented these names to Philip Lynch he said, “but Bede is not a knight”. I said you could fix that Treasurer and he said so I could, and he did!

In preparation for a tour which Bede and I were to make we had a manual put together setting out the foreign investment policy and this was distributed by our Embassies around Europe and parts of Asia. We had a rather frantic message from our Ambassador in France who explained that in the translation into French the foreign investment review board had been translated into the name of the French medical examination board when potential French servicemen present for what is known as a short arm parade! The

Ambassador added it was no wonder he was not getting many inquiries about prospects for French foreign investment. The experts who had provided the French translation were admonished and the error was quickly corrected.

Shortly after this Bede and I set out on a comprehensive tour through the US, UK, France, Germany and Japan. Wherever we went Bede had some light-hearted and humorous set of remarks to make, all appropriate to the location and the audience. He was a great travelling companion.

Inspection of resource mining operations

Whilst in Treasury early on, I took part in one of the tours of inspection of resource companies operations arranged by Paul Phillips who was at the time Chairman of the Australian Minerals Council. These were arranged in collaboration with BHP which made available the company’s G2 aircraft to convey the party of senior government officials from site to site around Australia.

We visited Mount Isa mines deep mining operations in Queensland, BHP’s open cut iron ore operations in Port Headland and its deep mining operations at Broken Hill, Comalco’s bauxite mining in Weipa and an open cut gold mine in Kalgoorlie. I went to this last area many years later when I was chairman of the Leighton Group of companies and the group was contract mining there. On that occasion I had the opportunity of holding in my hands a gold ingot-worth a lot and weighing a lot!

The Minerals Council’s inspection tours were a good example of enlightened businesses understanding of the need to get those involved in the operational levels of the arms of government to have a better understanding of what actually happens in mining operations.

Whilst in the Treasury I met many senior businessmen who wanted to discuss details of the foreign investment policy and in 1976 to my surprise and delight I was appointed to head the newly created department of Business and Consumer Affairs.

Changing houses

About that time I sold the Curlewis Crescent house and bought a Willemsen newly built smaller place in Kambah near Mount Taylor. The reasons for moving seemed sound of the time. Trev and Grant were no longer living in Garran. Trev was working near Marble Bar in the West, Grant who had started work as a teller in the Commonwealth Bank in Fyshwick had then moved to Lae in PNG. And Rod who was studying law at the Australian National University had moved into one of the colleges to better experience University life.

Trev married Chris Blewett in 1975. Rod married Karen Gibbons in 1979 both at St John’s Church Canberra while Nan and I still lived in Canberra. Grant married Deb Calcott in Brisbane in 1983.

We moved again in 1980 this time to a small two-bedroom unit in Kingston. This was close to Parliament house and the BACA offices. We moved to Sydney in 1982.

Business and Consumer Affairs, 1976-1982

It was a large department. It included Customs, which at that time included the Narcotics Bureau. It also had all corporate law regulatory matters, bankruptcy, and its outliers were the Prices Justification Tribunal and the Trade Practices Authority.



Sarah in the office overlooking Lake Burley Griffin

Customs

As Customs was part of the department I was also appointed the Comptroller General of Customs. Under the Customs Act at that time I had extraordinarily wide powers. I could have a room bugged and arrest a ship if it had false bulwarks. I never did the latter, and anyway didn't really know what a false bulwark was. But I did do the former on one occasion. That incidentally resulted the arrest of a drug runner in the Hilton Hotel in Sydney. The Act was very old and a few years later it was modernised. It was in this department that Sarah came into my life.

I needed a good Executive Assistant and asked one of the senior people in Customs to seek one out. Sarah came for an interview. I remember she was wearing a green dress and at that time and had longish blonde hair. We talked about her background and I found that before she joined Customs she had taught for a while. She had worked for Don Chipp when he was Minister for Customs and Excise and had worked in that Department for several years so had a good understanding of that part of the new Department of Business and Consumer Affairs. I offered her the job and she agreed to take it. She worked very effectively with me for the rest of my time in the Department and we became good friends. Her incisive mind and political nous have been a great help ever since.

Customs data entry systems provided a mass of information and was considered to be world's best by American Customs who sent people out to understand how the system operated. I was invited to visit the US in my capacity as Head of Customs and was collected at JFK airport popped into a Customs helicopter and flown into New York the last part of the Journey being through a maze of City skyscrapers. It was really quite cool!

Although Customs data entry systems were leading edge there wasn't a lot of collaboration between the various State Collectorates in terms of the day-to-day running of the Customs operation. In Sydney and Melbourne the Collectors were very much operating their own fiefdoms.

Customs Houses dated from before Federation. In Sydney the original Customs House was still in use and I had a wonderful office overlooking Circular Quay.

To break down the stovepipe arrangement I instituted a system of Division heads meetings which I think were effective in providing greater collaboration. I continued with Sub-collectorate meetings around the States where I learned an awful lot about how Customs ticked. It was difficult to find a metric which would indicate how we were doing and although I sought CSIRO's assistance to define such a metric we never succeeded in doing so effectively.

Customs Cooperation Council (CCC)

The CCC was headquartered in Brussels. There were meetings of Members in Brussels every second year with away meetings between.

One of the away meetings I went to was in Sofia in Bulgaria, a City on the edge of the Black Sea. I actually had a quick swim in the Black Sea and it is true it is very salty and therefore buoyancy is pretty good. Not being particularly good in the water I found that helpful! Getting into Sofia was very straightforward, but leaving the country after the meeting finished was more complicated and time consuming.

We stayed in and met in the conference rooms of a large hotel. The head of American customs was paranoid about being bugged and was of the view that the large television

like objects in the corner of each of our rooms were in fact listening devices. Bearing this in mind I was very cautious when late one night there was a knock on my door. On opening it I found the secretary to the Minister for Customs of Bulgaria. She began by asking me to assist her to find a way to leave Bulgaria and move to Australia. I told her she needed to go to our embassy and work from there. She somehow thought I could work a miracle and when she began to understand that I was not in a position to do anything, even if I wanted to, she left me in tears.

The CCC's primary role was to work toward the harmonisation of tariffs to speed the flow of goods around the globe. It had a very large board and was somewhat cumbersome in the way it operated. The head of New Zealand customs Jack Keane and I thought it would be a good idea to seek to streamline this and after some hard talking and effective lobbying we managed to get the number of board members reduced from 20 to 9. Australia and New Zealand were included in the nine.

I thought it would be a good idea if one of the CCC away meetings was held in Australia and I made the suggestion at the meeting in Bulgaria. To achieve this it was necessary to convince the Australian government and the CCC that it was a good idea. This turned out not to be so hard particularly from Australia's point of view because of the strong support of my predecessor Alan Carmody who was then head of the Prime Minister's Department.

The meeting was held in Canberra at the Lakeside hotel. We arranged for instantaneous translation and all the other necessities of a full blown international meeting. We knew we would have some of Europe's wine lovers attending and so approached the Australian Wine and Brandy Corporation and persuaded them to assist in making available a selection of Australia's top grade wines. This was very successful and some of the comments from

visiting European colleagues particularly, were very complimentary on the standard of our wines.

We also showed the delegates something of Australian farm life by taking them to Lanyon Station just outside of Canberra to see sheep shearing and also included some boomerang throwing. I think all delegates left with a pretty good feeling about Australia and a much better understanding of how large our land mass is.

I had told them in Brussels when they reached the northern shores of Australia they would be flying for a further four hours before they landed and I don't think too many believed me at the time.



President of the CCC, Sarah and me at the Lanyon barbeque

The Narcotics Bureau

One interesting tussle which occurred in my time in the Department was where the Narcotics Bureau should be located. It had been part of Customs for many years but there was a view in the bureaucracy it properly belonged to the Australian Federal Police. An inquiry was set up headed by Judge "call me Ned" Williams. Counsel assisting was Cedric Hampson.

I made a number of mistakes in this saga. I voluntarily went into the box and don't know to this day whether if I hadn't done so

I would have been subpoenaed. Whilst being cross-examined by Cedric I tended to be a bit flippant and probably in retrospect, not respectful enough of the powers he had in that position.

I also underestimated the power of the network of heads of Department who, if agreed on a position, usually got what they wanted. I also suffered I suppose from the fact I was still regarded somewhat as an outsider having crashed into the service at senior level at a time when such an entry was, to say the least, unusual.

The Department of Administrative Services which housed the Australian Federal Police had arranged for a senior officer from Scotland Yard to visit Canberra to discuss police and related matters. We had been told of this in BACA and had arranged to entertain this official at lunch in the Department. We had facilities to provide a cooked meal and Sarah being a good cook had conjured up a menu which included a Crown roast of lamb.

Just about the time our visitor was due to arrive we got a message to say he wouldn't be coming. There was some dismay about this and Harvey Bates the head of the Narcotics Bureau in particular was pretty upset. He asked what we should do. I said let's sit down and eat this magnificent lunch, which we did.

Not long after lunch I had a call from the head of the Prime Minister's Department, Geoff Yeend to tell me that the decision had been made to move the Narcotics Bureau to the Australian Federal police. I phoned Wal Fife the then Minister for Business and Consumer Affairs to give him the news. He said he was amazed. I called Geoff Yeend back and told him my Minister was amazed. He said I am amazed that he is amazed because we told him that early this morning. I phoned Wal Fife back in some anger and said how can I operate with you if you don't take me into

your confidence. His rather lame response was "Oh they told me it was confidential." We had a fairly blunt conversation about the proper relationship between a Minister and the Department head. I don't think Wal Fife ever really understood it and he was not one of my favourite Ministers.

Another thing which annoyed me a lot about this whole episode was the fact there was a confidential volume of the report of the Williams inquiry which I was never allowed to see. I did see though the Commission quoted as asserting it knew what was in Mr Besley's mind. It was never revealed to me what the Commission knew about what was in my mind about what!

Many of my departmental head colleagues said they thought the Commission's findings should be a must read for heads of departments. I think they felt as I certainly do now that I could have played the public service game of politics better than I did.

Sharing of intelligence and drug detector dogs

There was a good system of sharing intelligence between drug enforcement agencies. We had a particularly strong relationship with those throughout Asia notably Indonesia. This collaboration assisted greatly in the detection of incoming shipments.

One of the things Customs did very well was to train drug detector dogs for screening airport passengers, incoming mail and drug detection generally.

In order to help Indonesian customs officers I once took a pregnant bitch to Indonesia which was well trained in detection and whose progeny we hoped would help the Indonesian drug enforcement operations. They made a bit of a fuss of me when I arrived



and handed over the dog and gave me an Indonesian Customs ring. It has an impressive red stone of no known value. When I told the Minister, John Moore at the time, I was taking pregnant bitch to Indonesia he had a good laugh!

Getting to know the wine makers of the Barossa Valley

Customs had a responsibility to monitor the use of alcohol winemakers used in fortified wines. This alcohol was not subject to excise but that used in the production of spirits was. This meant there was regular and good contact between Customs and winemakers.

Another incident which I don't think did the then Minister (Wal Fife) much good was his pulling out, at the last minute, of an arrangement for him to open a Customs Sub Collectorate office in Nuriootpa in the Barossa Valley. I thought that as all the arrangements

had been made there should be an opening and so I did it! There is, or was, a small plaque behind a door in the office which says the Comptroller General had opened the office on the prescribed date. I have doubts about my action according with protocol.

Through this Sarah and I came to know the leading winemakers in the Barossa Valley and in particular were quite friendly with Peter Lehman and Cyril Henschke. We got to taste some of their best.

Peter was known as the Baron of the Barossa and was admired and respected by his peers. Cyril unfortunately met a rather untimely end when he was accidentally shot by his wife. It appears that she heard parrots attacking the vines, took a shot gun to scare them off and it accidentally discharged and killed Cyril. He was quite obviously a loss to the wine industry but his two sons did carry on the business successfully.

Other aspects of BACA

My first Minister in BACA was John Howard and he was the best of the four I worked for by a long way. John and I have been friends ever since. The others were Wal Fife who had been a Minister in the New South Wales Government, Vic Garland from Western Australia and John Moore from Queensland.

A key government policy at this time was to establish a uniform companies and securities regime in all states and the Commonwealth this meant meetings with the Attorneys General in their States and engaging in lengthy and at times frustrating negotiations.

I remember for quite different reasons one of the meetings arranged by Queensland which was held on the Sunshine Coast in an excellent hotel. It was somewhat remote from the town itself but provided very good conference facilities. The meeting was on a particularly hot day but to make some kind of a point, the Tasmanian Attorney turned up wearing a thick woollen jumper! I'm not sure what point he was actually trying to make.

Another was in Perth at the time of the air strike so getting away from there wasn't easy. I was lucky and arrived back on the VIP plane. Sarah had to come back all the way by train to Port Augusta, where she was picked up by one of the Narcotics Bureau people who was likewise escaping from Darwin and they drove from there back to Canberra a long and rather tiresome journey. One of the other cars travelling from Perth struck a wombat somewhere on the Nullarbor which didn't do much for the car and unfortunately a write off for the wombat. Tony Hartnell who was at that time a Deputy Secretary of the Department was in that car.

The upshot of the many meetings held over a number of months was an agreement on a uniform scheme, with the States having a little flexibility at the edges.

The Trade Practises Authority

The Trade Practices Authority which was to become the Trade Practices Commission had a head at the time who was extremely jealous of his independence in terms of his statutory powers. It was necessary for me to remind him on one occasion that he needed to have regard to Government policy in carrying out his duty. He bristled a bit when I took him to task and said are you telling me how to do my job. I told him I wasn't doing that, but he couldn't ignore the import of major lines of government policy in carrying out his statutory duties.

After the Trade Practices Authority had become the Trade Practices Commission I can recall a fascinating session with Bob Hawke in his role as President of the ACTU. The government wanted to bring the Unions under the Trade Practices Act in respect of abuse of market power and false and misleading behaviour. The meeting which John Howard, his chief of staff Paul McClintock and I had with Bob was stormy. I remember Bob saying very forcibly they'll be blood on the streets over this. But despite the union movement's total objection to this move the Act was amended to bring the Trade Union movement under its cover.

Fast forward to the time I was Chairman of the Leighton Group. We were having trouble with the unions on a building job on St Kilda Road Melbourne. It got to the point where the unions were taking belligerent action in support of outrageous pay claims. They actually began running steel pickets through the radiators of our trucks and firing large ball bearings at the staff.

We approached the ACTU and the Trades Hall in Melbourne both of whom said we should stand fast. We did and situation got progressively worse. So Wal King and I sought

a meeting with Bob Hawke who was then Prime Minister and laid out our concerns. His advice was extraordinary given his past history. He said we should seek to use Sections 45 D and E of the Trade Practices Act to bring the unions to heel.

These were the newly inserted clauses which put the unions under the Trade Practices Act which Bob had so strongly opposed in that rather stormy meeting with John Howard. As it happened it never came to that. It was close to Christmas at the time and the most troublesome of the workers who were Maoris, went home to New Zealand for Christmas and never returned.

The Prices Justification Tribunal (PJT)

The PJT was run by Alan Fells who still undertakes roles for the Government from time to time. It was established by the Government to exercise some control over the price of goods and services being charged in the market. In retrospect I don't think it always had the desired effect. It was said from time to time the PJT approved prices higher than the market would normally have accepted.

The Bankruptcy Act

This part of the Department's activities was run by an Inspector General of Bankruptcy. All I can remember about him is that he was a large man who did his job very effectively. To support this I can't remember one complaint to the Minister on the administration of the Bankruptcy Act.

The Government's exchange scheme with the private sector

In the late 1970s the Fraser government entered into an exchange arrangement with the private sector. Under these arrangements senior executives from the private sector were placed for a period in departments in Canberra with senior public servants placed in various private sector organisations. BACA got Colin Henson who was a senior officer in the Tooth organisation. He wanted a real job and I gave him one in which he made a significant contribution to the Department's work. Colin and I have been friends ever since then.

It was my view that Departments should send some of its best officers to work in the private sector. The scheme after all, was designed to help senior private sector executives understand better how the public service worked and to give senior public servants first hand knowledge of the private sector. I sent out two. Tony Hartnell, one of the Department's Deputy Secretaries, who went to the top law firm Allens and my executive assistant Sarah Harrington went to Macquarie Bank.

A bit more BACA

During its first year of operations of the Department, the Government decided Departments should produce Annual Reports to be tabled in the Parliament. Remembering my past in the Snowy where, when I was involved in writing the Annual Report, Sir William Hudson emphasised the point that "a picture is worth a thousand words, Mr Besley" I decided to make BACA's a show piece. We did so and in subsequent years other departments, endeavouring to catch up with us, went overboard to such an extent that the Government decided to lay down plain

standards for Departments' annual reports. I think it went a bit too far.

Mission to Iran

In 1978 I was part of a Trade Mission to Iran. This was a year before the Shah was deposed ending 2500 years of the rule of Persian kings. The delegation was led by Jim Scully who was head of the Department of Industry and as well as public servants there were businessmen including John Darling.

The purpose was to discuss opportunities for trade between Australia and in investment in each other's countries. My involvement was largely based on customs issues and tariffs. John Darling saw Iran as a lucrative market for the sheep trade. We met many Iranian senior public servants and some ministers. It is worth noting that some of the contacts made with that group were lost post the Shah's reign.

During our time in the country we visited Teheran, Isfahan, Shiraz and Persepolis. All interesting places particularly perhaps Persepolis where at the time of our visit there was an archaeological dig in progress. As guests of the Iranian Government we were treated to a special lunch. One of the delicacies was sheep milk yoghurt soup served with a sheep eye plonked in the middle.

I don't like yoghurt but struggled through that and managed somehow to get the sheep's eye down. To my horror Jim Scully gave it such effusive praise that we were each served a second helping! I managed – the things you do for your country.

In Teheran, apart from meetings with the officials, I have two particular memories. One was a dinner which the delegation arranged with Australian embassy officials and at which we enjoyed Iranian caviar from the Caspian Sea. It was served in small bowls set

in skewed ice pyramids and along with vodka was quite magnificent.

The other was when officials asked us what we would like to do one evening we expressed an interest in belly dancing. To our surprise we were taken to see some ballet dancing!

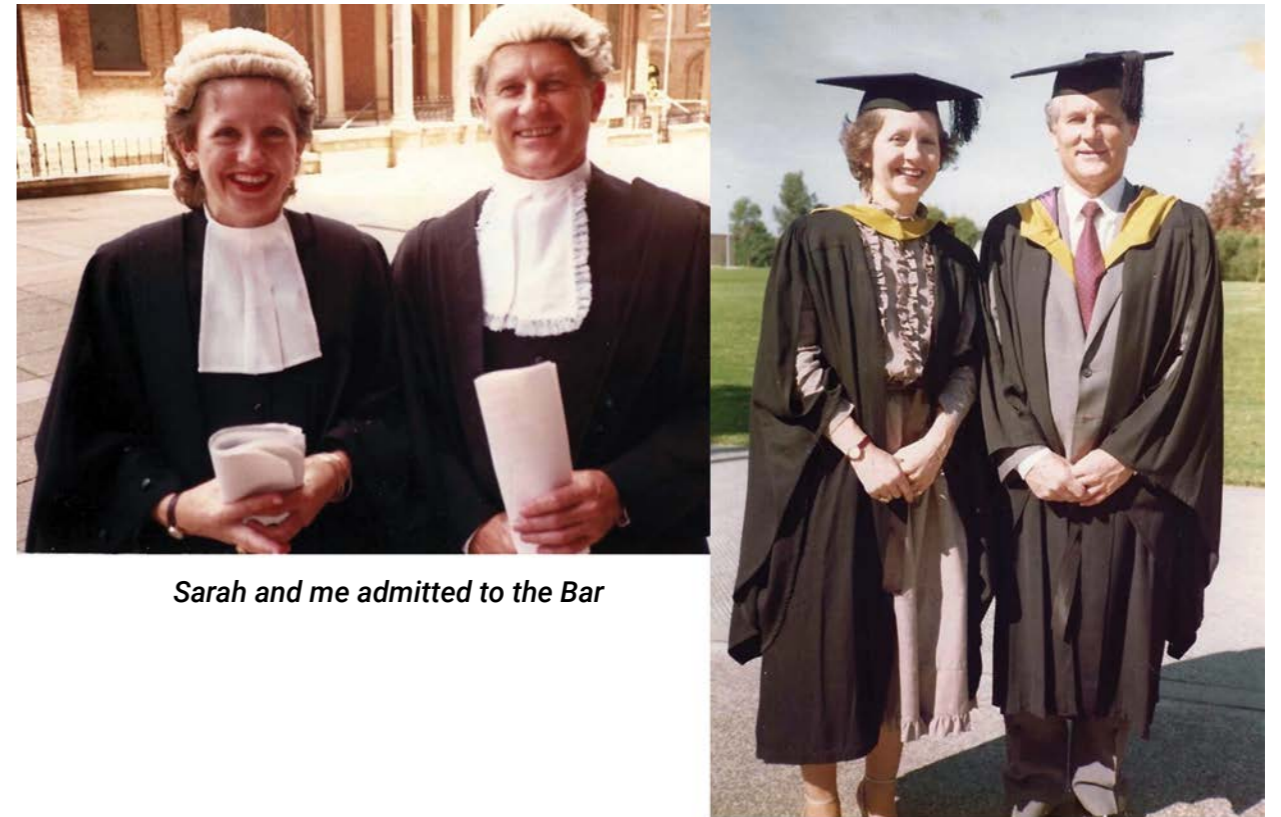
On our journey around the country we travelled in a convoy of four cars. The drivers seemed to think it was an honour to lead the procession and there was competition between them for that position. The result was very high-speed travel with very short distances between each car. It was pretty hair raising.

Thinking about it now and noting that John Darling's wish for a large scale trade in sheep never happened it is difficult to reconcile what we saw and observed in the community generally with what seems to be the situation in that country now. I guess we were lucky to see some of the best of a country which has a long Persian history.

Public Sector can provide a pathway to the private sector

Working in the Treasury and BACA gave me the opportunity to establish many contacts at senior level in the private sector. I enjoyed those contacts which later stood me in good stead. In BACA I can remember being criticised by one of my Ministers, Wal Fife, for spending too much time in Sydney and Melbourne. I tried to get it across to him that we were a business department and most business headquarters were located in either Sydney or Melbourne - there wasn't much in Canberra. He never seemed to appreciate that.

In 1979 Sarah and I had started a part time law degree course as external students



Sarah and me admitted to the Bar

Sarah and me at graduation.

at Macquarie University and before I left the Public Service early in 1982 we were well into the course. When I told my lawyer son Rod I was doing this he said I was mad but I persisted and later took the bar exams with Sarah and we were admitted to the bar by Justice Street with our colleagues Tony Hartnell nominating me and Peter McGonigal nominating Sarah.

Head hunted to Monier and disentangling from the Public Service

About the middle of 1981 I was approached by the search organisation Spencer Stuart who were engaged to find a Chief Executive for Monier Ltd following the upcoming retirement of Jack Davenport. The person who sought me out was Kerry McGuinness. I didn't know Jack Davenport at the time nor any of the senior executives of the company but I had crossed paths with

the Chairman, Stan Owens from time to time, mainly at CEDA events. I was interviewed at length by Jack Davonport and another board member both of whom came to Canberra to talk to me in the Department. That went well and I was later offered the job and it was agreed I would take up the position early in 1982. That would make it possible for me to retire from public service at the age of 55 and access my Commonwealth Superannuation.

At that time there was also some interest in me as possible head of the transport company Mayne Nickless which was headquartered in Melbourne. That never got to a serious stage and the way things worked out I was glad of that outcome.

My appointment to Monier was kept confidential and when it was finally revealed by me that I was resigning from the Public Service to take the position there was all kinds of speculation about what previous dealings I could have had with the Company. Searches

were made by those who felt I was receiving some kind of payback from the company and the only thing that anyone was able to turn up was the Customs Social Committee had once bought a Monier crockpot!

While this was occurring the saga of the location of the Narcotics Bureau was not complete and there was one disquieting rumour that got a bit of air space that I was going to be kicked out of the public service. In the end I approached the Prime Minister Malcolm Fraser and asked him to write a letter saying this was not so as I would shortly be taking a senior position in the private sector. He did this. Interestingly as the head of a department I had to get the Prime Minister's permission to resign from the public service.

The nastiness of some of the old Mandarins popped up after I had moved to Monier. I crossed paths with that of Dick (Sir Richard) Kingsland. His very unfriendly comment was "Have you fucked up Monier yet!" He was one of those more critical than most of the old hands who felt I had handled the location of the Narcotics Bureau very badly. Thinking back the only ones in that group at the time I was there who were kindly disposed towards me were Fred Wheeler, Jack Bunting and Allen Cooley. Coming in from outside at senior level certainly had its challenges!

Some years later I again crossed paths with Kingsland. It was at an investiture at Government House in Canberra. He was there with his daughter who was receiving a public service medal and I was there with Sarah and our children Hugh and Alice to receive my Companion of the Order of Australia award. I didn't speak to him but I hope some point or other was made to him.

There was another issue which required delicate handling in the twilight time leading up to my leaving the service and joining the private sector. One of Minister John Moore's

colleagues Mike McKellar had brought a colour television into Australia and declared it as black and white. I was unaware of this but Minister Moore knew. When I found out about it I spoke to him and he said it had all been resolved. I remember dictating a note to my secretary saying I had spoken to the Minister and we could now let the matter rest.

When the inquiry into the affair which was headed by Geoff Yeend, the head off the Prime Minister's department, got underway one of the documents that turned up was my Secretary's shorthand notebook from which the note I had dictated had been retrieved. To some it apparently took on a kind of cover-up message. Geoff Yeend however was one of those who didn't "look for reds under the bed" and took it for what was meant by me.

At the time this was happening Sarah and I were at one of the required attendances for our law degree course at Macquarie University. I received a phone call and was asked to make a statement. I did so and dictated it over the telephone. A short time later I received a return call saying that it had been decided to amend the final paragraph of my statement and I was told what they would like it to say. I didn't agree and made the point that I had a witness present when I dictated my statement and that same witness was present with me now. Sarah was my witness. My statement wasn't changed.

Buying a house in Sydney

Monier's head office was located in Chatswood so the search for a house was concentrated on the lower North Shore which resulted in my buying a house in Carter Street Cammeray. It was a semi with only a short common wall, three bedrooms and bathroom upstairs, a good sized kitchen and dining area at entry-level, a sitting area a few steps up from entry level and on a lower level there was a good sized laundry and a generally useful

area with a sink. A back door opened onto a small garden area. It had a lock-up garage and a carport which I subsequently put a roof over. It was on a bus route to the city and only a short walk from the Cammeray shops.

In 1996 Nan fell down the stairs and broke her leg. We decided then it would make sense to move to a single storey house. I saw an advertisement for a small block of land in Northbridge which had been subdivided from a house in Barooka Avenue with rear lane access.

The sale included approved plans. I arranged to have this built and we moved in in 1997. This house was sold after Nan and I separated in 2000.

Section 3

The Private Sector

Starting at Monier, 1982

My official start date was just before Easter in 1982. Before that while I was on Long Service Leave from the Public Service Jack Davenport spent time and effort bringing me up to date with what Monier did and was doing, including taking me to see some of the operations overseas, particularly those in the United States. At the time Monier also had operations in New Zealand, Indonesia, Malaysia, Thailand and Japan.

When I left the Public Service to become CEO of Monier overnight my salary doubled. Reflecting on this, two things stand out. Public servants were then rather poorly paid compared with those in the private sector. Currently senior public servants' pay is much more reflective of the responsibilities which this service has. In the private sector however the remuneration of chief executives is in many cases bordering on obscene. I am reminded of a comment by my friend John Ralph who said when pressure from the Labor Party and the trade union movement led to a requirement to publish salary details of senior private sector executives it would lead to a ratcheting up of those salaries. He was so right.

I was introduced to the management team both in the Chatswood office and at dinner in Jack and Sheila's house in Beecroft. I was surprised to find one of the division heads Clive Nettleton, had been a student at Canterbury University at the same time as I had. I learned later he had apparently put in a good word for me saying I was not a bad bloke. They were a good team and the spirit of the company was to get things done and support one another. It was a good Company to be part of. Jack said he didn't want to be looking over my shoulder and that if it



At my desk at Monier

was good enough for someone else to go at Easter that's when he would go too.

Redland plc was the company's major shareholder. Each year the chief financial officer and I went to Reigate in England to discuss the company's strategy and the financial outlook for the year ahead. I saw this as a useful financial and technical review as did most of the Monier board members. One however, David Ellsworth, the former Chief Executive of Rocla who had come onto the Monier board as a result of the acquisition of Rocla, was not at all happy and made this clear. No other board member supported him.

Members of Parliament attending Board meetings

One of the things I asked the board to agree to was to invite from time to time, ministers and shadow ministers for discussion with the board. The first member of the parliament we invited was Paul Keating then Shadow

Minister for Industry. He asked questions about business and then told the board some interesting stories about the success he and his father had in the concrete business some years before.

After lunch I took him down to his waiting car and on my return I asked the board what they thought. One member, Sir Peter Lloyd, Redland's representative, said he was horrified. When I asked him why his interesting response was "because he was so good". Paul was in fact the only parliamentarian we had for lunch before the company was taken over.

In the five years I was Chief Executive we bedded down the Rocla acquisition, made just before the Hawkins takeover bid and operations in the US were expanded including into the sheet metal business. I chaired the US holding company, Monier Holdings Inc, which owned the three businesses, roof tiles, fly ash, and the metal business.

The roof tile business was managed by an American and there was a senior Australian team ensuring that our systems were employed. The fly ash business was managed by an Australian who agreed to move to the US and the metal business by an intriguing Texan American named A R Ginn. To this day I don't know what the A R stood for and he had no intention of telling us. With the backing of the Monier Group's balance sheet and his drive, A R, expanded that operation very successfully. This included moving up the supply chain and acquiring a sheet metal rolling and coating business.

That business owned a fairly sophisticated aircraft and all those who flew in it were taught to land it. I remember Nan and I travelled in it on the only visit she made to the US, while I was involved with Monier and to add to her excitement A R insisted she take hold of the controls for a brief period. She did and was quite excited about it.

Plant manufacture and research and development

All our tile plants and accessories for operations in Australia and offshore were manufactured in Sydney. In later years though some of the die cast pallets were made in Germany. This was done on the back of the manufacturer of Redland's pallets in that country.

Monier had a quite significant research and development centre in Adelaide run by an interesting man, Bob Tomlinson. This side of the company interested me a great deal and over the five years I was with the company I saw quite a lot of him.

Towards the end of my time he was working on a new material which we called Fireglaze. It was a mixture of Basalt fines and clay pressed together then fired. As Bob said it was a product which would last as long as

the pyramids! I in fact have some tiles made of it on the barbecue area at 5 Avon Street. As part of the washup after the takeover all the relevant IP and other information was given to Redland but regrettably it was not further developed.

Insituform pipe lining

Reading an article recently of robotic repairs to Sydney's leaking water pipes reminded me of some earlier Monier technology designed to deal with this problem. It was essentially a pull through plug spreading a coating of mortar over the cracks. It required some energy to pull the plug along the inside of the damaged pipe.

There is a story of an incident which happened before my time in the company. A lining operation in Melbourne ran into difficulties when a plug got stuck. It was being undertaken near a tram line. A tram came along, without passengers, and the team persuaded the driver to agree to attach a haul rope to the tram connect it to the plug and pull it free. The story is the driver agreed, and when the tram moved it almost pulled the cabin off its buggy! I'm not sure how much this is an apocryphal story but I can be sure it improved in the telling.

Safety at Monier

Soon after I became CEO I looked into company's safety records and to put it mildly I was not impressed. It has always been my view that attention to safety must be driven from the top. I was influenced very greatly by my involvement with Sir William Hudson in this regard. So I put out a notice to all operations saying that within 24 hours of any Lost Time Accident in any of our plants anywhere I wanted four bits of information about the event.

- Injury
- Time Lost
- How/where it happened
- Remedy to prevent a recurrence

I also established a Managing Director's prize for the operation with the best safety record for the year. The prize was a Managing Director's dinner with all team members and their wives or girlfriends. These two things were highly successful and the lost time accident frequency rate halved in under 12 months.

Monier's support of surf life saving

One of the things the Board did was to support the surf lifesaving activity. We approached the Australian Surf Lifesaving Association and sought advice on a club in the Sydney area which was soundly run but in need of some financial help. The Dee Why club was suggested and for years Monier was a significant supporter of that club.

Members of the management team and some of the board visited the club from time to time and met with the surf life-saving teams. It was an interesting engagement and I'm sure a well worth while activity.

Interesting cultural aspects. Working in Asia

There are three events worth mentioning under this heading.

Our Indonesian partner had never been particularly easy to get along with and we eventually ran into difficulties with him which we were unable to resolve in discussion. We ended up in court. In the process one of our documents in support of our case whilst in the hands of the court was altered. We knew this had happened and our partner was aware that we knew.

There was no clear way of resolving this stand-off. We were eventually pointed in the direction of Peter Church an academic from the ANU. We sought his services and as he explained to me he needed on our behalf to find what he called an Indonesian solution. He did this and to this day I don't know precisely how he did it but the matter was resolved and we bought our partner out at a fair price.

In our Thailand operations I was keen to increase our shareholding. The rules are that foreign companies operating in the country must have Crown Holdings, a company owned by the royal family, holding a significant share of the foreign company. This didn't leave much room to move. I had lengthy discussions with the management and the other major shareholder and I thought we had agreed on a solution. It was that we would expand our ownership and in exchange for that, the other shareholders while still nominally being required to pay royalties, would in fact never have to pay.

I returned to Australia and wrote a letter which was very carefully delivered setting out the terms of the agreement I thought we had reached. Not having had a response for some time I asked why I had not received a reply to the letter setting out the terms we had agreed. To my surprise the response I got was, "what letter". Clearly what I thought had been a successful negotiation was never going to come off. My conclusion then was there would be no point in pushing the matter any further. So I didn't.

In Japan I had felt for some time that I was getting subtle hints that we were "too foreign". Talking it over with the Board we agreed it would make sense to find additional Japanese shareholders. A suitable partner needed to be identified and Japan being the way it is, we arranged with the support of the local team for a Japanese bank to pick up a parcel of shares. There were no hurrahs

or cheers but it was clear that the action we took was appreciated by the Japanese shareholders.

In Japan, Jiro Hiroshi was my guide in terms of doing things the Japanese way. He also became a good friend. I had done a short course in speaking Japanese. It was my practice at each board meeting to make a statement in Japanese about the important matters to be covered. Jiro would go over it with me to make sure it was couched in the language of a board. He was very patient. Doing this I found was a good way to give the major shareholder's views, and the reasons for those views, and be sure the reasons for those views were understood. I found I was able to pronounce the language well but the disadvantage of this was that it was assumed I was fluent in Japanese which of course I wasn't. I don't think it got me into any serious trouble and I do think it helped with understandings all round.

Jiro was also very protective of the Australian directors. A good example of that was his action following an unfortunate air crash when a plane's rudder had jammed and it crashed into Mount Fuji he insisted we not fly to Osaka, where head office was located, but catch the Shinkansen instead. The time difference was not great and travelling in that train was always a pleasure. The accident was a world news story. The time lapse from when air traffic control was notified of the problem and the crash was quite lengthy and passengers were sending messages to their families telling them what was happening and that nothing could be done to stop the inevitable. It was very sad.

Holiday in Sapporo

I was put under some pressure to accept an invitation from the local leadership of our business in Japan to bring my wife for a short holiday on the island of Sapporo. I talked to

the Chairman of the Monier Board and in light of our discussion accepted the invitation. It was a very nice few days. Nan and I stayed in Japanese Inns, ate wonderful food, dressed in kimonos for dinners and saw magnificent scenery quite different from that in and around Tokyo and Osaka including cows grazing in the fields.



Nan relaxing in Sapporo

One other interesting, or possibly foolish attempt, to speak in the language of another country was when I was invited by the P&O organisation to join a business Group which would be making a visit to Shanghai where I would be asked to speak about banking in Australia. At the time I was Chairman of the Commonwealth Bank and we had an office in that city. I spoke to our man in Shanghai and told him what I would like to do which was give the last paragraph of my speech in Mandarin. So if he put on tape the translation of that paragraph I would "phoneticise" it and

read from that. I am sure he thought I was quite crazy but he did what I asked.

I listened to the tape many times and then wrote it out with arrows pointing up and or down to try and get it to sound like Mandarin. On the day I did switch into a kind of mandarin for the last paragraph and as reported to me by my Australia colleagues present it seemed to go over quite well! My attention was later drawn to a brief report in the Melbourne Age which mentioned that I had caused some murmurs of surprise when I switched to Mandarin when speaking in Shanghai. It was fun to try it.

Keeping the staff informed

I felt it really important to keep the staff informed about how the company was doing. So every quarter I would make a video outlining our achievements for the period and giving broad brush comments on our financial performance. These were made available to all areas of our operations and opportunities were provided for every member of staff to view them. Judging from feedback these worked well. I still have copies of these videos on a disc.

Employee share scheme

One of the good things we managed to put in place during my time as CEO was an employee share scheme. The scheme arrangement was submitted to and approved by shareholders. We started it by giving free 1000 shares to all employees of more than one year's service. The tax arrangements allowed this then. Employees could add to their shareholding in later years on attractive terms. There was also a bonus scheme with pretty rigid hurdles.

The gift of a Rocla concrete pipe machine in China

As part of an aid program to China the Australian government agreed to purchase a Rocla pipe machine from the company and send it to the local authorities in Liaoyuan. We discussed this in the Board and agreed it would be appropriate to take a gift from the company itself as distinct from the Government. We asked what they would like and were told that a copying machine would be much appreciated. So we arranged to do this and also to engage the services of Australia's first ambassador to China Stephen Fitzgerald who is fluent in Mandarin to accompany us to the site where I would make the presentation.

Getting there turned out to be a bit of a problem as there was flooding at the time in parts of China including at the Beijing airport. We had to go by train taking this rather large package with us. The train journey itself was somewhat interesting. We met two Canadians who had attended the Kalgoorlie Stockade not long before and who were keen to tell us of their adventures and have us share some of their Canadian whiskey. We had a happy night on the train and arrived at our destination a little worse for wear but not so much as to interfere with the with the proceedings the next day.

At the appointed hour I had a small handover speech to make which had to be translated into Mandarin and then the local dialect. Although my speech itself was not long this took some time. There was a string of crackers suspended above me and it was supposed to be lit when I finished but the igniter was either fed up with all the talk or thought I had finished and applied the match while I was in full cry.

I was covered in a shower of red paper! It was all taken in good spirit including by me. That night there was a celebration banquet to seal the event. As we took our seats at the table one of the Chinese on one side of me said he was so sorry for me. When I asked him why he said because your drinking companion, who was on the other side of me, has a thirst as big as the ocean. He did and with all the obligatory toasts that evening drinking Mau Tai I had a bit of a sore head the next day. All part of the experience of making gifts in foreign countries I suppose.

A few more interesting Monier reflections

One of Monier's products was spun concrete power poles and when we established a new plant at Rockhampton we asked the then Premier of Queensland, Joe Bjelke Peterson to open it. He did this and during lunch I learned two things about him. The first was that on a one to one basis he spoke like an ordinary Queensland Australian and not in the blustering way which was his public persona on radio and television.

The second was he asked if we made shorter concrete poles as his son John would find them very useful to take power supply down the long road to his home. He was obviously fishing for some kind of preferred treatment. The upshot of this was we did manufacture some shorter poles for John for which he paid the cost of manufacture plus a small margin of profit. Not our usual margin.

Another concerns the Inventors Program as shown on ABC television. I was a regular watcher and on one occasion saw an invention about a leafless gutter. The design allowed the water to enter the gutter while the leaves slid over the top. We contacted the producers of the show to find out if there was a way to get in touch with the inventor. I remember Ita Buttrose, who was a presenter of the program

was very helpful in this. So we did contact the inventor and did a deal and ended up making the gutter as another product in our rainwater goods area. As I recall it served us well.

One of the other interesting and I think useful things I did was to set up a small panel of academics to have a think tank kind of session twice a year with senior managers. There were three members. An electrical engineer, a soils expert and a concrete specialist. Some of the ideas bounced around were decidedly hairy but the discussions had the effect of making the team think more often than they did, outside of the square. It was a useful exercise. And that cost was not great.

We dabbled a bit with the use of fly ash not just as a part replacement for cement in concrete products but also in the construction of insitu mine support pillars in underground mines in the South Coast mines in New South Wales. It was quite a neat operation. Bags of the fly ash with some aluminium powder included were put in place, a little water injected then as the mix set it expanded to become flush with the mine roof. A few were installed but it didn't become widespread practice.

We also played around a bit with a fly ash in England but didn't take it very far. Redland our major shareholder wasn't particularly interested.

Dealing with the vagaries of Council zoning decisions came sharply into focus when we established a concrete pipe making plant near Penrith. We were searching for a site and Penrith Council was very anxious to see us set up there. The land was then zoned for industrial purpose. Soon after we were up and running Council began to release some of land for housing. Until then, by agreement with Council we had been able to run the plant on a 24-hour three shift basis.

Householders understandably complained about late night noise and Council put a clamp on our operations. I felt that we have been lured there under false pretences and complained. I was met with a sort of "tough luck sport" comment.

Monier is "put in play"

In 1987 CSR made a half hearted and ill prepared bid to take over the company. CSR had not gone into the market to pick up any Monier shares but its bid put us in play. Shortly after CSR's failed attempt there was a surge of buying Monier shares. No one seemed to know who was doing it.

I called Ron Brierley a well-known corporate raider, and asked him if he was buying shares in the company. He said he didn't think so and he would check and call me back. He did this and said no it was not him. Shortly after, we received a takeover bid from a New Zealand Company Feltex controlled by Alan Hawkins. On investigation we found that he had a reputation for practices which were somewhat sharp. Later over something entirely unrelated to his bid for the company he ended up in jail.

The offer from Hawkins' company was extremely attractive. I called a meeting of the board and we agreed it was clearly in the interests of shareholders for us to recommend acceptance. When Jack Davenport learned of this he was disappointed but I think recognised in the end acceptance of the bid was the only responsible course.

There were some interesting aspects of the takeover. The major shareholder Redland plc told me they were prepared to accept the bid but only if Redland could then purchase the US roof tile assets at an agreed price. To handle this rather tricky situation I was appointed as Chairman of Redland Australia Ltd and had to deal with Hawkins.

The upshot was Redland accepted the bid and on Redland's behalf I wrote a cheque out for I think \$375 million to purchase those assets for Redland! It was biggest cheque I am ever likely to write!

Section 4

Other private sector activities

Leaving the Public Service and joining Monier provided other business opportunities which I was fortunate enough to undertake. My first offer of a Non-Executive Directorship came in my first year as Chief Executive of Monier. My Board, correctly I think, said it was too early for me to join another Board but agreed when I got the second invitation two years later to join the Amcor board. I also joined the NSW Board of AMP. I later left this because of a conflict of interest when I became Chairman of the Commonwealth Bank. AMP was not one of my more interesting Boards.

In these wider fields the years 1998 to 2001 were particularly busy for me. Whilst still at Monier I joined the Advisory Board of the Australian Graduate School Management at the University of New South Wales and served on it for number of years. Fred Hilmer was Head of School then and went on to become Vice Chancellor of the University. He later famously produced for the Government the very significant Hilmer Review on competition policy.

Around this time, I was invited to join the board of Fujitsu Australia and remained on it until 1997. In many ways it was a frustrating Board to be a member of. We put up some, I thought very sound ideas which the local Japanese management thought sensible, but we were never able to get any of them accepted by head office in Japan. And to make it worse there was never any feedback on why those ideas weren't accepted. Fujitsu Australia at that time had some link with Apple and arranged for me to get an Apple computer and printer. Not quite the original but a very early one.

Two other interesting Boards I was invited to join around this time were CIG, of which I was Chairman, and Clyde Industries. Each of these had a dominant major shareholder. In CIG's case it was the British company BOC. It and its Australian subsidiary sold industrial gases extracting oxygen and nitrogen from the air using air separation plants, and CO2 from underground wells. It sold medical and other gas and a range of gas reliant tools including welding and metal gas cutting equipment. My first task at CIG as Executive Chairman was to sort out who should become Chief Executive following the departure of Gordon Scott who went to work for the parent company in England. There were four contenders. It didn't take me long to conclude that Phil Aiken was the man for the job, a view which the parent Company readily endorsed. And so he became the CEO. I stayed on this Board for a time transitioning from Executive Chairman to non-executive.

Clyde Industries was controlled by the Purves family. Its main products were railway engines and associated rolling stock manufactured in its modern facility at Mittagong. We made a Board visit to it during my time. I was impressed with what we saw.

Fairly quickly it became my view that the interests of the major shareholders in these two companies would best be served if they took out the minority shareholders at a fair price. I encouraged them to do this. It required a somewhat delicate approach. I'm happy to say this did happen in both cases. I was later told by each of them that they were glad they had accepted my advice.

In this time period I was also on the board ELGAS a joint venture between AGL and CIG. AGL is a Company with a long history dating back to when it provided gas for the City of Sydney's gas lights. The gas was produced from the liquefaction of coal at several sites around the City. ELGAS is a

gas retailer primarily for the domestic market. Chairmanship of the company rotates between its two joint-venture partners and I was chairman for a number of years. In that period we established a large underground LPG gas storage adjacent to Sydney airport. Nowadays it is known as the ELGAS Cave. The gas is shipped in through Port Botany.

Official visits back to New Zealand

While working in Australia apart from Family visits I made four official visits to New Zealand.

The first was to talk to the New Zealand Royal Society about the Snowy Scheme. Sir William Hudson had agreed to give the talk but at the last minute he was unable to go to New Zealand so sent me across to do the job on his behalf. With a copy of the Snowy Mountains film I did this and I think it went quite well.

This led to the New Zealand Broadcasting Corporation seeking an interview with me. This was a little more daunting as it was live and I wasn't in control of the conversation. The interviewer was a feisty youngish woman. We sat round the table facing each other with a large two way microphone hanging between us. She began by asking me how I felt about cutting off the water of the citizens of Jindabyne. She did this with a smile. I stuck to the technical details and it turned out to be an interesting 30 minutes.

The second was in connection with the phosphate industry to attend a meeting of representatives of the three partner governments in Wellington. I was accompanied by a young colleague Andy Mackintosh and we were accommodated at the Wellington club a rather toffee nosed organisation. Two things happened there that stick in my memory. The first came out of the

standard arrangement of receiving breakfast in one's bedroom. The staff member who brought in my breakfast was clearly offering me more than breakfast and I thought at the time what friendly people New Zealanders really are.

The second was the looks of horror of staff members of the club to see Andy Mackintosh sliding very rapidly down rather long bannisters just inside the Club's front door.

The third was a visit which Claude Reseigh, an Assistant Secretary of the Department of Territories, and I made in connection with the agreement between The two countries on Closer Economic Relations. Meetings with the New Zealand officials were in Auckland and Wellington and as part of the arrangements that were made for us we were driven between those two cities.

We enjoyed a scenic drive down the centre of the North Island. Our discussions covered the arrangements we each had in relation to our territories and also got into the area of shared interests in phosphate. One of the accompanying New Zealand officials was the daughter of a friend of my father's whom I had met many years earlier. She was a good company and it was altogether a pleasant discussion on shared economic issues.

The fourth was when I was Chairman of the Commonwealth Bank and it was not long after we had acquired a majority interest in New Zealand's ASB Bank. I thought it would be a good idea to hold a Board meeting in Auckland. We did this and were well looked after by ASB. During a conversation at the dinner which had been arranged for us, it emerged that I was a New Zealander. Upon learning this one of the New Zealand officials said "oh I thought you were a pretty decent guy."

Business Council of Australia

BCA was formed in 1983. It was formed by a merger of the business roundtable a spinoff of CEDA and the Australian Industry Development Association. Geoff Allen of AIDA was the prime mover and as a member of CEDA's the business roundtable I became very much involved in the push to establish the new organisation. Its purpose was and is, to give the business community a voice in public policy debates about the direction in which Australia should move. I was a founding member and continued until I ceased to be the CEO of Monier.

Committee for the Economic Development of Australia (CEDA)

CEDA was established by Sir Douglas Copeland more than half a century ago. Its aim was then and still is, to bring together leaders from the business, academic and community sectors to initiate independent research and debate on matters of national economic importance.

My interest in CEDA had begun in the early 1960s when as a young engineer on the Snowy Scheme I was involved in writing CEDA speeches for Sir William Hudson. It continued on and whilst still at Monier I took on the role of Chairman of CEDA's Executive Committee and remained in the post until 1992.

Peter Gray was the Chief Executive at that time. When I took over the role from Rollo Kingsford Smith he told me Peter was intelligent, extravagant and devious. This advice helped me shape my relationship with him. I later sat on the Board of Governors between 2004 and 2012, was a Patron from 2013 to 2017, and was made a Life Member of the organisation in 2018. It is a great organisation as a broker of ideas and the fact

that it has continued in existence for more than 50 years says something about it.

The Metal Trades Industry Association (MTIA)

Early in my time at Monier I was invited to join the executive of the MTIA. It was a significant industry group as wages and employment conditions in the metals industry set many of the patterns for other industries. The Chief Executive at the time I joined was Ron Fry who was soon succeeded by Bert Evans. Bert worked hard, had the ear of governments and understood the trade union movement amongst whose officials he had many friends and colleagues. He had much to do with maintaining industrial peace over a great many years. Bob Hawke once described him as a great Australian. I enjoyed my time with MTIA and was National President in 1991 and 92.

I was somewhat surprised to find that the custom was, for the National President and wife, together with the CEO and his wife, to visit other countries for discussions in the international context on the relationships between business and the trade union movement. So Bert and his wife Pauline and Nan and I visited a number of European countries, France, Norway, Russia (St Petersburg) and Switzerland. We did indeed discuss industrial relations and there were many side benefits too.

During my time at MTIA I was persuaded by another executive member to join with his company and support the Avoca beach lifesaving club. We did this and between our two companies purchased a surf boat and a trailer which for a time, was known, and may still be, as Tim's trailer.

MTIA's Canberra dinners

During my time at BACA I had been to these black tie dinners. For a Department head they were really a must go to event. As an executive of MTIA I saw them from a different perspective. They provided an opportunity to broaden the range of contacts with Ministers, Shadow Ministers and other Departmental heads as well as with the senior executives of significant industrial organisations. They were good dinners, enjoyable company and good food. The practice began some time before my involvement, as part of the Association's recognition of the need to improve contacts between and the understanding of the respective roles of the public and private sectors. It was a good initiative and as I have observed has helped in improving the understanding of each by the other, though there remains a need to continuously work on it.

President and Betty Ford and Vale, Colorado

One of the perhaps more interesting things that happened when I was Chief Executive of Monier was receiving an invitation from President and Betty Ford to attend a discussion group in Vail Colorado. As I dictate this I am unable to recall what the reason may have been for my receiving such an invitation. I wasn't the only Australian who was invited Malcolm Fraser who was by then a former prime minister, was one. The group that President Ford had put together included some very distinguished international figures including a former vice president of the US, Henry Kissinger and a former President of France, Valéry Giscard d'Estaing.

The purpose of these gatherings, and we all sat round a very large oval table, with between 20 and 30 people present, was to focus on significant international issues and



Me with President Ford and Betty

occasionally issue a statement. I attended the meetings twice, first in 1984 and again in 1985. On the latter occasion one of the interesting international events at the time of the meeting was the hijacking, by terrorists, of the *Achille Lauro* in the Mediterranean in October of that year. That incident led to the group making a statement and the lesser lights including me were sent away to entertain ourselves while the small leading group decided on an appropriate statement. I recall with a smile that Fraser's wife Tammy said to the small group of Australians, "Now that Malcolm is occupied let's go and have some fun". We gathered in the Fraser's apartment and had a few drinks and a good number of laughs.

Apart from the seriousness of discussions, on the significant events, and these were very interesting, there was a social side including dinners and on one occasion, a ride on the Cable car lift to the top of the

adjacent mountains. One of the journalists in the cabin in which I was travelling didn't like heights and began to panic. He said he needed more air. I saw a lever which I thought would open a window but when I pulled it the whole system came to a halt. The speaker system which questioned what had happened led to control being told that someone had accidentally pulled the stop lever. Back at the hotel one of the Australians asked who was the idiot who pulled the stop lever. I thought it best to say nothing!

A search for bank directors

While still in Monier Bernie Fraser came to see me and said he had been asked by Paul Keating to approach me for names of businessmen who might be suitable as members of the Board of the Commonwealth Bank of Australia. I gave him some names and added I could be interested myself.

Post the Monier takeover and going banking

For the first few months after the takeover of Monier I had some tidying up to do, largely involving Redland's interests in Australia. At Christmas time 1987 Nan and I were with Rod and Karen and their family in Port Macquarie. At one point Rod came out onto the veranda where the rest of us were sitting and said Paul Keating was on the phone and wanted to speak to me. I asked whether Rod knew what it was about and he said he didn't. When I spoke to Paul, without any preliminaries, he said to me "G'day mate how'd you like to be Chairman of the effing Commonwealth Bank?" Quickly gathering my thoughts, I said the idea sounded pretty attractive to me. He said with my experience in both the public and private sectors I was well-placed to take on the challenges. Paul said it would take a little time to settle the details and he would sort it out. I was appointed Chairman of the Bank and chaired my first Board meeting on my 61st birthday, 14 March, 1988.

For me it was a steep learning curve. The Bank's Company Secretary David Anderson was particularly helpful to me in the first few months of my settling in. It was a bit of a learning curve for the Bank too because I wanted more than just a few tables of figures which was all that had customarily been presented to the board to deliberate upon.

I had been used to comprehensive board papers and strategic discussions at Monier. As far as it was possible to determine there didn't seem to be any regular companywide strategic discussions. It took a while to convince management and even some fellow directors that regular strategic meetings would be important to the Bank's future.

And so the system of annual strategic discussions was introduced. We held those at Callaghan College in Pymble. The various divisions would present their plans and

strategy for the year ahead with an indication of directions for two or three years after that. Board members discussed the plans with management and made constructive comments following which the strategy document was worked over by management and sent back to the Board for final sign off. It took a little time for the system to be fine tuned but in the end a clear and agreed planning system was settled.

The Bank's culture

When I arrived the bank was virtually 100% unionised up to and including the Managing Director. The Union had a big say in the promotion process and in the selection of who would be promoted. It had been illegal to appoint anyone who was over 24 years of age. There was little competition between the banks at this time as maximum mortgage rates were fixed by the government. It was an atmosphere in which employees felt comfortable. Some senior management were even able to play "Business" golf on Wednesday afternoons. It was a culture which needed to be changed.

Historically and particularly during the war years and into the early post war years the bank had played a very significant role in the financial affairs of the country. It had, in those years, the central bank function which was split off when the Reserve Bank of Australia was established in 1960. It also established good relationships with returning servicemen. Bank officers met ships bringing returned servicemen home and quite frequently arranged financial assistance particularly to those who were being resettled on the land.

In the process the Bank gained a lot of customers. The contrast between those years and the mid to late 80s was quite marked. When the Bank was privatised in the early 90s it was harder to privatise the culture of the bank than the bank itself.



TREASURER
 PARLIAMENT HOUSE
 CANBERRA 2600

Mr M.A. Besley
 42a Carter Street
 CAMMERAY NSW 2062

Dear Mr Besley

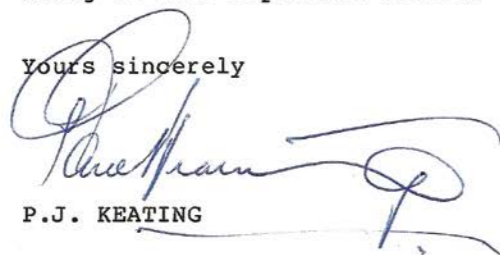
I have much pleasure in formally advising you that His Excellency the Governor-General has appointed you Chairman of the Commonwealth Banking Corporation Board for a term of 5 years commencing 8 March 1988.

Under the Commonwealth Banks Act 1959 the Board is responsible for determining the policy and controlling the affairs of the Commonwealth Banking Corporation, the Commonwealth Bank of Australia, the Commonwealth Savings Bank of Australia and the Commonwealth Development Bank of Australia. Normally the Commonwealth Banking Corporation Board meets once each month, except in January, and meets mainly in Sydney.

Provision has been made for members of the Board to be remunerated for their services. In its most recent determination, the Remuneration Tribunal has set the rate of remuneration for the Chairman of the Board at \$34,371 per annum with effect from 1 January 1988. Members are also entitled to reimbursement for the costs of travel as well as a travelling allowance for each overnight stay when engaged on the business of the Board. Detailed arrangements concerning your remuneration will be advised to you by the Secretary of the Corporation in due course.

I should like to take this opportunity to congratulate you, both personally and on behalf of the Government, on your appointment as Chairman. I appreciate your willingness to accept the heavy responsibilities associated with this position and am confident that the Corporation and the Board will benefit greatly from the expertise and wisdom you will bring to this important office.

Yours sincerely



P.J. KEATING

Ack. Handing from etc 19/3

Letter appointing me as Chairman

The Bank becomes a listed public company

Paul Keating the then Treasurer was probably the first senior Government politician to recognise that the Victorian government was in financial trouble. Its State bank was not performing well and it had a merchant bank which appeared to be pretty much out of control. I well remember discussions we had with Paul. He said the federal government would have to bail Victoria out and the smart course would be to begin the privatisation of the Commonwealth Bank and use part of the proceeds of share sales to buy the State Bank of Victoria (SBV).

His approach caught some by surprise but I give him full credit for being a broad thinker and devising a plan which saved the Victorian Labor Government and was the beginning of the Commonwealth Bank becoming a significant force again in the banking sector in Australia.

There were many issues to be resolved. Not the least of these was to persuade the Labor government to privatise the Commonwealth Bank. It was seen as a national treasure and up to that point there had been no privatisation of any significant publicly held assets. John Cain then Premier of Victoria was not interested in the sale of the SBV notwithstanding the problems which its merchant bank, Tricontinental, was having. He was succeeded by Joan Kirner who, recognising the need to sort out Victoria's financial problems, decided to auction the SBV.

Westpac was keenly interested and made an offer which was subsequently increased to \$1.655 billion. The Commonwealth Bank's offer was \$1.25 billion which was soon after increased to \$1.6 billion still \$55 million less than Westpac's bid. David Murray (a senior executive in the Commonwealth Bank), John

Ralph (a Commonwealth Bank Board Director) and I were in Melbourne at the time and had over a few days a series of negotiations with SBV officials and senior Victorian public servants. I recall that on Saturday 25 August 1990 we informed Victorian officials that our offer was on the table until noon on the following day. Sometime later on that Saturday night Kirner and the Victorian Treasurer decided to go with the Commonwealth Bank bid. Keating had no doubt given guidance to the State government and importantly covered the difference in the price through the reworking of State tax receipts.

This led to the deal being finalised over the weekend. The tax package arranged by the Federal government was not referred to the Commonwealth Bank Board nor do I think it should have been. The deal having been done there was much to do to ready the bank for its transformation from the government institution to a publicly listed corporation.

Along the way there was criticism. John Cain the former Victorian Premier phoned me to tell me he was deeply concerned about the CBA's acquisition of the State bank of Victoria and the CBA's privatisation and that Denison Miller, the founder of the CBA, would turn in his grave.

The Opposition was opposed to the move and the then leader, John Hewson, said it was a totally immoral deal that ought to be investigated for insider-trading. He went on to say the Commonwealth Bank offer was another sleazy grubby ALP deal. At the time I commented I was very angry about the political brawling about the Bank and said it was a straight commercial deal and I would defy anyone to suggest otherwise.

Privatising the Bank

The Commonwealth Bank was partially privatised in July 1991 when 30% of its shareholding was made available to institutions the public and employees. The share price was \$5.40. On 12 September in that year the bank listed on the ASX with 230 million shares issued. A little over two years later in September 1993 a further 187 million shares were made available at \$9.60 per share. This brought the government's holding down from 70% to 50.1%.

Finally, on 17 June 1996 the Government's remaining shareholding was sold at a price of \$10.45 a share. For the last two sales the Government issued its own prospectus. There had been talk of the share buyback for the last sale and I remember having a number of discussions with Stephen Sedgwick who was in the Department of Finance with the responsibility for the sale of Commonwealth assets. He kept pestering me to get some idea of what price we might have in mind for the buyback. At one stage he said he felt like a moth flying around a candle and not getting anywhere. I told him it was not unusual for moths flying around candles to end up in the flame. He was not impressed.

Apart from the preparation of the necessary legislation there were many issues to settle some of which led to vigorous discussions. These involved amongst other things managing a significant and necessary shift in the government's attitude. The Government initially mandated that its shareholding should be not less than 70% in perpetuity to 50.1% in perpetuity and then to a complete ending of any government shareholding. It was complex time-consuming and needed patience.

I can recall David Murray and I meeting Paul Keating in Kirribilli House when the Commonwealth held 50.1% of the Bank's

shareholding and saying to him when there is a change of government they will finish the job and you might as well do it now and get the credit for all the work you have done to take the Bank to where it is and where it seems inevitable it will finish. He agreed with this.

One of the most difficult things for me to deal with early on was insistence from Canberra that the remuneration of the Chief Executive should be set by the Remuneration Tribunal. This arose before the actual float and led me to write to the then Minister for Industrial Relations, Senator Peter Cook, to say that we would need to make it clear in the prospectus if this was to be the case and we didn't think that would help the float very much.

If on the other hand he was prepared to accept that we would do no more than meet the market in setting the Chief Executive's salary and would report the outcome, there would be no need to make this Canberra control issue clear in the prospectus. It was hard work but in the end there was a grudging acceptance of this although I think in fact the Senator was on leave at the time we reached agreement.

It wasn't only in Cook's Department that there were problems. The then Secretary of the Treasury, Ted Evans, who was ex officio a member of the Bank board, was firmly of the view, and said so publicly that the Commonwealth Bank was and would always be a Government Business Enterprise. He seemed unable to grasp the fact that once privatised and listed as a public company the Bank would from then be directed by an independent board and not Canberra. Letting go of the "reins", which they didn't really hold any way, was difficult for Canberra!

The first Commonwealth Bank Board

With the Government being in control of board membership the first board was interesting. Notable characters included Gerry Gleeson, at the time premier Neville Wran's Chief of Staff, Barbara Ward, who had been a political advisor to Paul Keating, Anna Booth who had been President of the Clothing Textiles and Footwear Union, John Ralph from CRA and Graham Sleigh who like me, had at one time been National President of the MTIA.

We were also required as part of deal with the Victorian Government to appoint two Victorian board members. One was Ivan Deveson, who among many other things had been Lord Mayor of Melbourne and Chief Executive of the Nissan motor company, and John Schubert, whose appointment was largely influenced by those of us already on the board. He was well known to us and we knew he was shortly to move to Sydney take up the position of Chief Executive of Pioneer Concrete.

Gerry was a powerful person in New South Wales at the time and needed careful handling. I learned eventually that he spent a lot of time on the phone to Paul after most board meetings. I was in fact tipped off by Anna Booth. I talked this over with Don Sanders and we agreed two things. First we would just keep an eye on Gerry and second if the need arose we could probably get a message to Paul without having to speak directly to him! That need never arose.

Ivan was a bit of problem too. He seemed unable to accept that it was not the Board's role to manage the bank and I had to pull him up on many occasions. John Ralph, a long standing board director, told me that on one occasion when he and Ivan had shared a car to the airport after a Board meeting, Ivan had said with a shake of his head he would just

have to get used to the Chairman's style. John said he gave him some guidance at the time.

I had to deal with one tricky issue later. Ralph Ward-Ambler, who had been the Chief Executive of the State Bank's failed Merchant Bank, phoned me to say he wanted, and indeed deserved to be on the board! He was very full of his own importance, one symbol of which was he pronounced his name as Rafe! In fairness I reported his claim to other board members and there was unanimous agreement he was not a suitable person to have on our board. I had a rather frosty and at times blunt discussion with him and told him other board members did not see him as someone they could work with. Fortunately, after that, he gave up the chase.

Later board members included Gary Pemberton who was then Chairman of Qantas and Tony Daniels Chief Executive of Tube Makers. As far as Chairmanship went I had always planned that John Ralph should succeed me and after that although I wouldn't then be a member of the Board, it would make sense for John Schubert to follow. That in fact is what happened.

A new image for the Bank

The elephant had been the bank's logo for many years. Get with the strength was the story. But to some it seemed rather ponderous and stumbling and a new image was needed. Don Sanders and I spent some time talking to experts and finally settled on a firm with experience and a good reputation in that field. So a new image emerged, a black tilted square with a yellow strip, and it certainly aroused discussion and provided some interesting comments. I remember one to the effect that it looked like a piece of burnt toast with vegemite on part of it. We wanted to make a statement and the logo certainly did that!

Bank 'mergers' that never happened

In the late 1990s confidential merger discussions took place between the Bank and, at different times, Westpac and the National Australia Bank.

A small group from each bank, the Chairman the Chief Executive and usually two other senior bankers including the Company Secretary, met a number of times at a confidential location to discuss a potential merger of the two banks.

The discussions with Westpac were interesting. They started well and there seemed to be a real willingness to see if we could collectively make a merger work. As discussions progressed Westpac raised the idea of adding executive directors. This was unacceptable to us. On CBA's Board there is only one executive director- the CEO. We met again for the purpose of trying to resolve the issue. Before any discussion took place however, Bob Joss, Westpac's CEO startled us when he said he did not know why we were meeting as there was nothing to discuss. The meeting broke up and the possibility of a merger between our banks was never again raised.

By contrast the discussions with National Australia Bank went very well. Mark Rainer, the Chairman, was enthusiastic and saw real possibilities in our joining forces. We discussed at length and were able to reach agreement on the sensitive issues upon which many mergers fail, namely who would be the Chairman and who would be the Chief Executive of the new organisation.

I was shortly due to retire as was the CEO of the National Australia Bank so the obvious arrangement with which we all agreed was Mark would be Chairman and David Murray the Chief Executive of the new entity. We also did some judicious sounding of possible

reactions in the finance sector and the public arena to such a merger and received generally positive feedback. So armed with this Mark and I went to see the Prime Minister, John Howard. We put to him the benefits we could see for Australia with a bigger bank to play in the International financial sector. We explained the proposed structure as we saw it and ran through with him the results of our judicious soundings in the financial and public sectors.

John listened patiently and said he would give it serious thought and get back to us in three days. He called us together in three days and said he could certainly see the merits of what we were putting forward, but he had to say there was no political advantage in it and for that reason he was unable to support the idea.

Politics and conflicts of interest

Paul Keating while he was Treasurer borrowed money from the Commonwealth Bank to finance the acquisition of a piggery. We knew that once this became public knowledge there could be an attempt to show that he was given special treatment. Being aware of this we arranged for an independent audit of the files by a retired Judge, Andrew Rogers. He found them to be totally in order and that Paul Keating had been treated on a completely arms length basis.

It wasn't long after we had done that in fact, that I had a call from Julian Beale who had a shadow portfolio in the Coalition opposition seeking a meeting with me. This was arranged and he and Ian McLaughlin, also a shadow minister visited me in the Bank. They alleged that Keating must have pressured us to give him a special deal and said they were going to make this public. I told them that was not the case and that they were on the wrong track. If they made any allegations I would defend the

Bank's reputation with the greatest of vigour and my advice to them was there was no political mileage in it for them and that they should forget it. They did.

On two occasions I was accused of conflicts-of-interest. The first was relatively minor. I was on the board of Amcor at the time and Dick Pratt who ran the privately held Visy Company demanded that I should in no way be allowed to have access to the company's Commonwealth Bank accounts to seek an advantage for Amcor. I sent a message back to Dick as Chairman saying I never looked at the accounts of any customer and apart from that I knew how to handle conflict of interest even if he didn't.

The second was rather more serious as a letter came in from the construction company John Holland. Its lawyers accusing me of colluding with Wal King the Chief Executive of the Leighton Group, on whose Board I was Chairman at the time, to weaken the company's financial position so that Leighton could more readily acquire it.

The Bank's lawyers send a stern letter back demanding withdrawal of the John Holland letter and asserting it was patently in error. A reply was received which was to say the least, wishy-washy so another demand was made on John Holland and this brought forth a wholesome apology and withdrawal of the offending letter. Janet Holmes a Court was Chairman of John Holland and she and I came to be good friends. Subsequently when I was Chairman of the Australian Research Council I arranged for her to be appointed to the board.

As things turned out Leighton later did acquire John Holland in a friendly arms length deal and Janet stayed on as chairman.

Financing infrastructure

The Commonwealth Bank was the first of the four major banks to finance a major infrastructure. It was the M5 Southwest motorway which was built as a toll road. The decision to do this was not taken lightly and in fact did not have the full support of the chief executive officer Don Sanders. He reluctantly came to the party and subsequently became a strong supporter of the Bank financing other infrastructure projects.

To get this initial funding over the line it took a good deal of work at Board level and as Chairman I needed to give it quite a push. It was an interesting exercise and one which turned out to be rewarding for the Bank.

Over the years, the Commonwealth Bank has been involved in the financing of many large infrastructure projects throughout Australia. Some of these were built by the Leighton Group's construction companies and as Chairman of both Leighton Holdings and the Commonwealth Bank at the time I was careful to ensure that conflicts of interests never arose.

Buying overseas banks and seeking a banking licence in China

Don Sanders and I discussed the merits of purchasing in a careful way, an interest in some overseas banks. This resulted in our buying a significant but not controlling share in a small bank in Indonesia and making another similar arrangement in Hong Kong with the Hang Seng Bank.

I well remember our discussion with the owner of the Indonesian bank at his very palatial residence in Jakarta. We dined there too. Good food and good wine and good company including two of his daughters who were university graduates in financial matters

and who were not afraid to speak out in very positive terms. One of them who I happened to be sitting next to me explained that she not only worked hard but she played hard too.

That was a clear sign which Don and I took to disengage the social aspects of the purchase in as gentle a way as we could.

Soon after David Murray succeeded Don Sanders, which is mentioned later, he and I went to China to explore the opportunities of getting a banking license in that country. We met a high-level Chinese official in Beijing. We didn't get very far at our first meeting and spent a great deal of time answering their questions about how it was that the bank had gone from a government owned body to a publicly listed corporation. This they said was of great interest to them because there were many state owned enterprises in China which needed to move out of government control. Without going into the need to bail out the Victorian Government we explained how privatisation had come about. I'm not sure this helped them very much for two reasons, the political structure in China and the different business cultures.

In saying this I recall that years ago when I was with Monier we were exploring opportunities for the manufacture of roof tiles in China. I thought somewhat lengthy discussions with Chinese officials were going well and when it seemed to me we had come to the point of getting a decision we were told we had finished the technical negotiation and what was now needed was to commence the commercial negotiation! We went along with this for a while but it was clear we were not going to get anywhere on the kind of terms that would have been acceptable to Monier.

A similar exposure to the cultural differences and expectations occurred in Shanghai shortly after the time we gave a Rocla pipe making machine to the local

government in Liao Yuan. There I met the head of the Shanghai Water Authority who was aware of the gift we had made and commented warmly on what we had done.

We were having interesting discussions and out of the blue he asked whether Monier would give to the city of Shanghai a vast quantity of concrete pipes to help repair the ageing system in that city. I was a little taken aback and must have shown it. He said think what it would do for the reputation of you and your company, you would be as famous as the man who cleaned up the river Thames! Nothing came of it and I'm talking about events that occurred more than 30 years ago. I've been to China a number of times since then and been impressed with the progress that has been made but have always been conscious of the need to try and understand and work with the cultural differences.

Succession in the Commonwealth Bank

Soon after the acquisition of the State Bank of Victoria and the privatisation of the Commonwealth Bank Don Sanders retired. The position was advertised within Australia and overseas. It was a good field. One of the more interesting applicants was Nick Whitlam. His opening comments to the interviewing committee were to the effect that he knew more about the Commonwealth Bank than anybody else and had come back to Australia specially to take on the role of its CEO. Not a good start. But he was a credible applicant with banking experience.

Another interesting prospect was Tony Berg from the Macquarie Bank. Under the then existing relationship with Canberra I had to consult with the Treasurer about the appointment of the CEO. He was having none of Tony coming from "that hotbed of liberal politics". So the position was never offered to Tony and I sometimes wonder what the

outcome might have been if it had and he had accepted.

I then approached Paul about David Murray. The Treasurer was aware of the key role David had played in the Bank generally and in the acquisition of the State Bank of Victoria in particular and was happy to agree with me that as chief executive of the Commonwealth Bank he would serve the Bank and the country well.

I well remember going into David's office and telling him that the board wanted him to be the Chief Executive to succeed Don Sanders. David said at the time, didn't I think it was a little bit too early for him. My response was, no the board wants you to take the reins so you're in at the deep end! He was perhaps but it was a very good appointment and he led the bank very successfully for the next 13 years.

One of the consequential and somewhat difficult tasks I had to perform was to tell the then deputy managing director Ian Payne that despite what I believed was his sincere belief that when Don went he would succeed him, he was not going to get the job. Ian was of course disappointed and not particularly happy but I have to say he settled down and took it well and was a very loyal supporter of David.

David was and is a quick thinker, a person who does not suffer fools gladly and who has strong views about which he could be outspoken. We established a good working relationship which is perhaps best summed up by what David once said after I had ceased to be Chairman. It was to the effect that I had never told him to do anything and that between us we had achieved a lot.

When I retired as chairman in 1999 John Ralph succeeded me in terms of the succession plan which I had put in place. When he retired John Schubert took over

then and again this was something that I had always envisaged.

When David retired and Ralph Norris took over as CEO John Schubert organised a rather colourful farewell to David. He arranged to have composed and sung by a Sydney Opera Group a bit of a story about David which included the fact he was somewhat famous for always misplacing his glasses. The two Johns and I dressed as the three tenors and in turns mimed the words sung by the opera group. Following our "recital" and one or two speeches a dinner was held in the banking chamber. Somewhere I think I still have a video of the event.

Paul Keating's time on the back bench

It was always said there had been an understanding between Paul and Bob that at an appropriate time Bob would step aside and Paul would take the Prime Ministership. I don't know how firm this understanding was but clearly at some point Paul believed the time had come for him to pick up the reins. When it didn't happen he retired in somewhat of a huff to the back bench. He later of course became Prime Minister but while on the back bench he would ring me from time to time and go on about effing Bob who always took the credit for the good work he did as Treasurer. His conversations were always lively and dotted with expletives. Sometimes they would go on and on. I had to say to him once that I was sorry I had to go because I had to Chair a meeting of the Bank's credit committee. He took that in his stride with no hard feelings. He was and is an interesting man.

Joining the Leighton Group

Towards the end of my second year as Chairman of the bank, in 1989, I was headhunted for the Chairmanship of the Leighton Group. It was an interesting experience. I knew neither Wal King the Chief Executive nor Dieter Adamsas the Chief Finance Officer both of whom interviewed me separately and at length. Each was interesting in its own way. The upshot was that I was appointed Chairman that year and held the position until 2001. I had a consulting involvement for three years after that. The three of us became a tightly knit group over the years and steered the Group to a strong position.

The German company Hochtief was a major shareholder when I joined and actually increased its position over the next 10 years. In the early days Hochtief treated its shareholding as an investment and were passive investors but when the management of that company changed the new Hochtief team were very much inclined to be hands on and sometimes wanted the company to act in a way which was not in the interests of the minority shareholders. This was a continuing battle and it involved a good deal of my time including at times somewhat difficult visits to their headquarters at Essen in Germany.

Peter Kietel the Hochtief Chairman said to me once he didn't think he had his hands on the steering wheel. I told him he didn't and acknowledged that though he was a major and important shareholder there were many thousands in the minority group whose interests also needed to be protected.

Wal and I once had an interesting meeting with Peter at Heathrow airport. We flew over had our meeting and caught the same plane back to Australia that day. I don't remember the issue which caused us to meet Peter on that occasion but I do remember that whatever it was it was satisfactorily resolved.

Before another meeting in Essen we were taken to a concert on the evening of our arrival. Sitting in the front row I remember how difficult it was to stay awake.

I also remember in Essen buying a very nice leather jacket which I was advised to spray when I unpacked it. I did this when I got back to the hotel and while Dieter and I were in the hotel stairwell spraying the jacket we were suddenly confronted by armed guards. It seems the spraying operation triggered some alarm and caused the troops to surround us.

In the early years of our relationships with Hochtief our contribution to its bottom line wasn't particularly significant but as the years went by Leighton's contribution became an increasing part of that company's total earnings. In fact, towards the end of 2000 if the Leighton contribution to Hochtief's results was taken out the remainder was close to negative.

Following my retirement as Chairman in 2001 John Morschel succeeded me in this role. Relationships between him and Wal fairly soon became somewhat difficult and he did not seek a re-appointment. Geoff Ashton who had been on the board for some time agreed to take on the role for a short term and after Geoff, David Mortimer, a long time member of the Board, became Chairman in 2007.

The relationship with the major shareholder progressively deteriorated in the mid-2000s and there was a move to get Wal out of the company. David Mortimer was in my view far too willing to go along with whatever the major shareholder wanted and this didn't help Wal's position who quite properly recognised the importance of protecting the minority shareholders.

Around that time too the Spanish company GRUPO ACS began to buy Hochtief shares and was soon in a controlling position of that company. This effectively, through Hochtief's

majority shareholding in Leighton, put them in control of Leighton. During the time ACS was buying up Hochtief's shares they were at pains to show a friendly and co-operative relationship with Leighton. There was lots of talk of working together globally and profiting from the complementary relationships of the two companies' skills. All this changed though once ACS had secured a controlling interest of Hochtief.

Wal was treated pretty badly I think and eventually retired. After that for a time David Stewart was Chief Executive and he didn't help things along. He went and Hamish Tyrwhitt took over. He eventually fell out with the Spaniards, Mortimer resigned and soon Leighton was headed by a Spanish Chairman and Spanish Chief Executive.

I have said to Wal since I think the Spaniards conned us. Looking back, he agrees. They sold off one of the operating companies, John Holland, to a Chinese company and not long after changed the name of the group to CIMIC. I became aware of the changing culture. It was no longer a "family" and a place where it was fun to work. All that made me feel quite sad.

One of the things that happened early in my time as Chairman at Leighton was to withdraw from the USA where we had operated a subsidiary, Green Constructions. It did some major work in Alaska on the Alyaska oil pipeline. I remember a visit to the area going as far north as the Bering Sea where the base camp was, and where engines had to be kept running continuously to prevent them from freezing. I was also taken to a high point along the pipeline route accessed by helicopter and looked over what the company was doing there in extremely cold conditions.

One of the other things that Green Construction had on its plate was a bauxite contract mining operation in Guiana. The client, the Guiana Government, owed us a lot

of money and it was proving difficult to collect it. We hired a hotshot American lawyer who was full of confidence. I insisted he come to Australia and explain to us why he felt that way. He did this, and said he was "100% certain" the debt could be collected and sounded very convincing. Absolutely nothing came of it. We were offered Guiana Government paper but this was virtually worthless.

During my time with the group Wal, Dieter and I spent a fair amount of time with other significant off-shore shareholders. This involved a number of Investment Houses in the United States. Others included the Scottish Widows and a group in Copenhagen. We met some interesting very smart people on these visits.

In New York when Wal and I were together we rather surprised an analyst from Australia who came with us, when we opted to use the subway to travel between appointments. In his experience senior company officials travelled around the city in hire cars. I bumped into him recently in Sydney and he reminded me of this and of the fact that he actually photographed us standing in a crowded train on the subway. He said he still found our approach unusual but agreed with me it was by far the quickest way to get around that city.

Seeing him and hearing about New York reminded me of one of the more interesting places I had stayed at on visits to that city. It was at a house on Long Island owned by Lane Brettschneider and his wife Caroline. They are a couple whom Wal and Denise had met on a cycle trip in Europe. They became good friends and were on the True North at Wal's 60th birthday celebration. Their house was very interesting and they put me in the "ecclesiastical" room, as Lane described it, to purify my soul! It was equipped with all sorts of memorabilia including a Bishop's Gown. Staying with them for a few days was a very pleasant and interesting experience.



Alice and Hugh at the mouth of the Eastern Distributor tunnel

Leighton's involvement in infrastructure

In my time with the Company it was heavily involved in infrastructure work. In the Sydney area we built the M5 toll Road the Eastern Distributor, the Lane Cove Tunnel and the M7 toll Road. They were all good jobs for the company and each of them has an interesting thing to remember.

When the M5 was opened by the Minister I attended. There was a noisy group of toll road protesters with an effective loudspeaker system which sought to drown out the Minister's speech. They were partly successful but the Minister was unfazed, he just kept going despite them.

When the Eastern distributor was under construction Wal arranged for me to take my two children, Hugh and Alice, to see what was going on. I'm not sure how much they remember of that as they were still quite

young but I do remember they enjoyed the experience.

A day or so before the project was opened a black tie dinner was arranged in the tunnel section. It was well attended including by many of those involved in its construction. A good time was had by all.

We also had black-tie dinner in the Lane Cove Tunnel that was not nearly as successful as that in the Eastern distributor. This was mainly because we were interminably delayed by one of our so-called distinguished guests.

Another thing to recount is that during the Lane Cove tunnel construction one of the buildings above developed a lean which led to quite a bit of excitement and press comment. Arrangements were quickly made to have a senior Company person address the issue publicly on television and to assure all concerned that any damage would be promptly rectified and the building made safe.

The person who did this was Dave Saxelby, who has a reassuring style about him. He turned what could have been a bit of a disaster for the company into a demonstration of good public relations and the importance of addressing and fixing problems quickly, and keeping people fully informed.

The M7 was an interesting engineering job. We were building this at the same time as our major shareholder, Hochtief, was involved in a Rail tunnel construction nearby. The team on M7 saw an advantage in making arrangements to use the spoil from the rail tunnel to produce a better grade on the toll Road and at the same time turn waste material into construction material and save both contractors time and money. To make this change we needed to have the approval of our client, the Department of Roads. This was readily given when the benefits of the proposed change were explained.

In Melbourne we built the Southern Cross Station and despite the difficult attitude of the unions and a limited construction window, from midnight to 4 AM, were able to keep the station fully operational and its thousands of trains running each day. It had a complex Metal roofing structure with no two panels the same across the entire roof. It wasn't a profitable job but it was a demonstration that a good contractor, as Leighton was, continues on and finishes the job to a high standard and on time.

Another major project undertaken by the company around that time was the building of the East Link freeway in Melbourne which was planned to speed up traffic flow by providing a multilane facility in that part of the city. It has done just that.

Leighton also built the desalination plants in both Sydney and Melbourne. These were interesting and quite complex jobs which produced some difficult issues which

had to be resolved during the construction. In terms of return to the company neither was particularly satisfactory. But one thing it showed once again was that even in not particularly profit yielding jobs, of which I'm pleased to say there were only a few during the time I was there, the company delivered a professionally built job on time.

Working with Optus

Early on as Optus began to build up its mobile network Leighton did a deal with the company. The result of this was we built the bulk of its network. It was a good and fruitful relationship. I remember bumping into Sir Brian Inglis, then OPTUS chairman who I had known from my days when he was chairman of the AMCOR board on which I had served. He commented very favourably on the relationship between the two companies and said what a pleasure it was to be working with a company like Leighton.

Leighton Telecommunications

Always with an eye to the future Leighton management, with strong support from the board adopted a policy of installing fibre optic cable for minimum cost in appropriate locations in some of its construction work, for example in the tunnel in the Eastern Distributor. The result was that overtime, the bones of a fibre-optic network came into being. With the addition of a specific telecommunication cable from Adelaide through Sydney to Brisbane the Company had progressively developed a network of some 18,000 km named NEXTGEN. Associated with the network work were six data centres and private cloud and managed hosting services. In 2013 Ontario Teachers Pension Plan bought 70% of the business.

The Very Fast Train (VFT). A first attempt.

The idea of a very fast train from Sydney to Canberra and then on to Melbourne was first floated by Dr Paul Wild of CSIRO in 1984. It wasn't very fast as first envisaged but as the technology of the TGV trains in Europe progressed the proposed speeds for the VFT were increased.

The Fraser Government was approached for funding to undertake a detailed study. In rejecting the request transport Minister Morris said that if, as has been suggested, the private sector is interested he thought it should put it forward and fund it.

The idea attracted some large companies and in 1987 a private sector JV was formed the members of which were Elders IXL, Kumagai-Gumi and TNT. BHP joined later.

In 1989 the Government issued a statement of support against the advice of eight Federal Departments. In late October 1990 a report by Access Economics was released. It claimed a net benefit to the economy of \$12 billion. Despite what now seemed to be a way forward for the VFT there was still considerable opposition in the bureaucracy. There were concerns in some quarters about noise level. The Greens and the Australian Conservation Foundation raised serious concerns about the impact the project would have on the environment.

The joint-venture, for all these reasons and the emergence of differences between its members, collapsed and its project office in Canberra was closed in September 1991.

The Speedrail project. A Second shot

In 1993 following an invitation from the Commonwealth New South Wales and ACT governments the Speedrail Consortium (a

joint venture between Alstom and Leighton Contractors) made a proposal for a high speed rail link between Sydney and Canberra. In 1998 Prime Minister John Howard announced it had been selected, from a short list of six proponents, four of which had submitted firm proposals and paid the required deposit of \$100,000, to move into the "proving up stage."

Other members on the consortium were SNCF, Commonwealth Bank, Qantas and Baulderstone Hornibrook. The announcement made it clear that if the project went ahead it was to be at no net cost to the taxpayer.

The predicted construction cost was estimated at \$3.5 billion and it was expected that 15,000 new jobs would be created during the construction period. It was planned that the line would use the East Hills line to leave Sydney and then follow the Hume and Federal highways into Canberra. Nine eight-car train sets would be used departing from each city at 45-minute intervals and running at maximum speed of 320 kilometres per hour to complete the journey in 81 minutes

In November 1999 Speedrail submitted a feasibility study to the government claiming that the project met all the government's requirements. Wal King and I met John Howard on a number of occasions. We stressed the Sydney-Canberra link should be looked at as part of a future high-speed train link from Melbourne Canberra and Sydney to Brisbane.

We were spending a good deal of money on studies and I said I was concerned to be in a position to answer questions from shareholders so I wanted to know if the government was a true supporter of the proposal. We also said some government assistance in terms of tax relief seemed to us to be justified. Without commenting on tax relief the Prime Minister encouraged us to keep going.

In the meantime the media began to speculate that \$1 billion in Government finance or significant tax concessions would be required. The negative campaign continued and a little over a year after the feasibility study had been submitted and notwithstanding encouraging Prime Ministerial discussions the Government in December 2000 terminated the proposal. I wondered not entirely idly whether I should send a bill for our cost of some \$25 million to John Howard! I never did of course.

Postscript

There were various fast rail proposals following the ending of the VFT proposal – some freight and some passenger. Similarly, after Speedrail was axed the Howard Government in December 2000 commissioned TMG leading a team of experts including Arup, to investigate all aspects of the design and implementation of a high-speed rail system linking Melbourne, Canberra, Sydney and Brisbane. A scoping study report was released in 2001 which concluded that although a high-speed rail system could have a place in Australia's transport future it would require years of bipartisan political vision and would most likely require significant Government investment. In 2002 the government decided not to go ahead with phase 2 of the scoping study.

Alan Castlemaine who was heavily involved with the VFT proposal blamed the failure on the lack of understanding of how much positive action, if not money, is needed from government at the planning stage to make big projects such as the VFT work. I am reminded of a much-quoted statement by Sir William Hudson "you have to have faith in the future and plan and build for it". This was so much part of the Spirit of the Snowy which I enjoyed for 17 years.

Leighton's involvement in contract mining

Both in Australia and Asia the Company did a lot contract mining work. Wal had, some years before I was involved with the Group, seen an opportunity and to a large extent, led the construction industry in this field. Most of this work was undertaken by Thiess which was one the four construction contractors, in the group. The others were Leighton Contractors, John Holland, and Leighton Asia. Most of the work in Australia was open cut mining in coal in the Hunter Valley in New South Wales and the Bowen Basin in Queensland. Clients included the major resource companies BHP and Rio. We did do a small amount of underground mining in Queensland in the Bowen Basin. These coal beds dip toward the east so progressively as mining work moves in that direction open cut mining becomes uneconomic.

We did some contract mining in the gold mining area around Kalgoorlie in the West. I well remember at one mine site being given a Bar of gold to hold. It was very heavy and worth a lot of dollars.

In Asia these operations were focused on Indonesia and again were nearly all open cut coal mining in the Kalimantan Province. The coal seams there are extremely thick and are high-quality steaming coal. The client was the Indonesian government with which we maintained good relationships.



Open cut mining



Port at Sulawesi



Me talking to Dave Stewart

This was greatly helped by the fact we had set up a training school in the Kalimantan area to train locals in the operation of heavy construction machinery. They were good pupils and became skilled operators. The school was run by a former Australian Merchant Marine officer who ran a tight ship and was respected and looked up to by the trainees who referred to him affectionately as I remember, as "Big Daddy".

Other than coal, mining operations in Asia included some nickel mining in Sulawesi. Thiess also built some of the port works associated with the nickel mining project.

It was the practice from time to time to arrange a visit by analysts and journalists to see something of the operations in Indonesia. This was a useful exercise and I'm sure helped the Company in getting reasonably balanced reporting and more accurate analysis.

Leighton Asia

Hong Kong is the centre of operations of Leighton Asia. It was established there over 60 years ago and sadly in my view is being very poorly managed by the new Spanish owners. It is now part of the renamed Leighton Group known as CIMIC.

Work in Hong Kong was focused on expanding the MTR's rail network and the construction of high-rise accommodation for the local population. I was Chairman of the Leighton Asian Board for a time and in that period the Company had a contract for construction of a tollway in the Philippines. Relationships with the client, a government body, were never very easy and it was not a very successful venture. I remember a site visit which demonstrated that very clearly.

Vietnam

Quite early in Vietnam's move to open its economy Leighton explored the opportunities for work in that country. In 1992 Wal and I went there with John Faulkner flying in from Hong Kong on Dragon Air one of the few airlines permitted entry at that time. We landed at Saigon, now Ho Chi Minh city, on an extremely long airstrip obviously built for military purposes. The plane was not permitted to remain overnight and was required to fly back to Hong Kong.

We met and had discussions with a series of officials who assured us there was indeed plenty of work available. They made it clear there was lots of manpower available locally. There was an Australian embassy

there then and we also talked to embassy staff. One upshot was we were asked if we would be prepared to put in a bid to build a new embassy. We did this, got the job and built it. One thing we were certain of was that we would be paid for that job.

Saigon is an interesting city. Lots of old French architecture and a museum erected after the French were defeated and also portraying the Vietnamese success in the 1970s war. It is a city of bicycles and I had never before seen two streams of them line-a-breast approaching each other at 90° somehow managing to cross without causing a tangled mess of bicycles and people.

Sarah and I were there for a brief visit about 20 years later as part of our Mekong River trip and it was the same except it was motor scooters some of which somehow managed to balance extremely large loads on them as they sped along.

Leighton went back again about a year or so later and continued to explore opportunities. On that occasion Laurie Brereton the former New South Wales high profile Minister for Roads, had successfully persuaded Wal to invite him to join our delegation which he did. He was then a shadow minister and translating his title caused the Vietnamese officials some difficulty - it came out as shady minister! We told him we liked that. In the course of our explorations we travelled around and saw quite a bit of the country. One spectacular area was Hau Long Bay dotted with its many limestone peaks.

We were on a small hired boat which had basic cooking facilities so we sought out a local fisherman and bargained over a price. We couldn't agree so we decided to find another fisherman. As we were leaving his wife jumped on our boat and he sped away! He came back in a while to retrieve his wife. He then sold us a fish at his price!

An interesting and rather persuasive sales technique we thought.

Other than the embassy we were not able to pick up any work. Perhaps we were too early there.

Taiwan as a possibility

During my Chairmanship we looked at Taiwan as a possible location to do business. Wal, Dieter and I paid a visit and had interesting discussions with officials and senior business people. We did look at the possibility becoming involved in a large bridge project but nothing came of it.

An interesting encounter while we were there was meeting one of the senior business people whose family had been involved in the escape from mainland China to Taiwan by Chiang Kai-Shek and other senior officials of the National party and their families. This person took us on a tour over a very extensive personal museum in which were housed the treasures which came with the National party to Taiwan. There was some quite amazing stuff which I understand the present government of China wants returned.

The Sydney Casino

Early in the 90s the New South Wales government floated the idea of a casino in Sydney. There was public support and some public opposition. The government decided to go ahead and form the New South Wales Casino Control Authority. Bids were called for the license. At Leighton it was decided to bid for the license as it was clear that a large building would be required and that was the company's target.

To secure the license Leighton needed a partner and Showboat, an American casino operator based in Atlantic City was identified. Following many discussions and

due diligence by each party a consortium of Leighton Properties and Showboat was formed. As part of the process leading to that, Wal and I visited Showboat in Atlantic city. It was an interesting and successful visit. We saw among other things, how their security system worked and watched from the control room a live incident. The culprit who was known to the casino operator had an interesting technique. He would stand behind a slot machine player and drop something at the player's feet. And we saw this happen. When the player turned away from the machine to look at what had been dropped the man snatched what looked like a milkshake container which held the player's money and began to move quickly towards the exit. He never made it. He was arrested before he was even close to the exit!

In December 1994 the Casino Control Authority announced that our consortium was the successful applicant for the license.

We had been aware that as well as us, Kerry Packer was keen to secure the license. We knew he was aware of our interest and concluded he was taking steps to find out as much as he could about it and about us in general. We came to the view that he was using his considerable influence and contacts to get an idea of what the level of our bid for the license might be.

We suspected listening devices but were never able to find any hard evidence. It was agreed Wal, Dieter and I would meet in Wal's office on a Sunday morning to settle on our offer price. In the office we deliberately stated clearly and distinctly the figure we would bid.

Outside the office and away from building we agreed on what we would actually bid. It was a higher figure than the one which had been stated in the office. In the bid race we came out on top with Packer second at a figure higher than that we had stated in Wal's

office on the Sunday morning. But it was below ours.

A temporary casino was opened by acting Prime Minister Kim Beasley on 13 September 1995 on the site of former Pymont Wharves. The permanent casino was opened in November 1997. It was designed for us by Sydney architect Philip Fox with whom Leighton had worked before on other projects. At the time it was one of the largest building projects ever undertaken in Australia.

As well as securing the license and the building project there was an intensive police investigation to go through. The senior management of Leighton Properties, and the Chief Executive and Chief Finance Officer of the Leighton Group and the Chairman of the board all went through this process.

Our financial position was investigated in detail, we were required to produce the originals of documents confirming our stated qualifications and we were fingerprinted. We were assured that the fingerprint records would be destroyed after the investigation had been completed. This was never confirmed but we all assumed it had been done.

Leighton's systems

The Leighton Group had early on adopted and developed quite sophisticated systems. There was a small highly skilled group which kept this on track. For example, in the contract mining business a lot of expensive plant and equipment was required. The group's systems made it possible to monitor the operations of the larger items in real time.

The Australian Submarine Corporation (ASC)

In early 2000 the Howard Government was considering selling government owned corporations. One on the list was the ASC. At the time it was a joint venture between the Australian Industry Development Corporation and Kockums, a Swedish company, and the designer of Collins class submarines. At Leighton the acquisition of the ASC was seen as providing a pathway into defence projects and becoming involved in offshore oil platform construction. So we developed a plan of how this might be done. We looked at a bit of history.

The first Collins class submarine became operational in 1994. There was a long history of problems with both the operation of the submarine and the weapons system. These were largely resolved. Prior to that John Moore as the Minister for Defence had decided the only way to solve the various problems of the Collins class was for an independent report to be prepared.

A Report was prepared by Malcolm Macintosh, Chief Executive of the CSIRO, and John Prescott who at the time was Chairman of the ASC and was a former Chief Executive Officer of BHP. Amongst other things the report said it would be important to solve the problem of lack of collaboration between ASC members, the lack of an overall direction for the organisation and various conflicts of interest.

By the time Leighton became interested in the possibility of acquisition of the ASC a dispute existed between the Government and Kockums. The Company accused the Government of breach of intellectual property rights and the Government was claiming that the company had not met its contractual obligations. Lawyers were involved. It was a stand off.

Hans Off a very competent engineer who was working with us at the time suggested a way forward. Essentially it was that each party cease action against the other and pay its own costs. Leighton first put this to Kockums indicating our interest in acquisition of the ASC with the purchase of Kockums' shares as a first step. We also had discussed this approach with the government. Kockums were attracted but wanted to safeguard their position in the event they could do a deal with the government. An agreement was drawn up between Kockums and Leighton which included a caveat that provided if Kockums and the government settled and did a deal, our agreement with Kockums would lapse.

During the negotiations we had kept the Prime Minister's Chief of Staff, Arthur Sinodinus, in the loop and shortly after we had reached that position with Kockums, Arthur told us that a deal had been done with the government. When we asked him what the deal was he said "your deal".

In the course of all this we had discussions with the Prime Minister and the Minister for Defence. The Minister asked us who had proposed a way to settle the dispute between the government and Kockums and with some sadness and a little anger said it was a pity no one in the ASC had been able to come up with a solution.

So we didn't end up owning the ASC through first the acquisition of Kockums' shares and then the government's. But I think it's fair to say we had put ourselves in a position such that if the government did decide on a sale of the ASC we were by then really the only organisation to whom a sale could sensibly be made.

As of today, February 2020, the ASC remains a government owned corporation. An opportunity almost available but missed.

The US Navy and Northrup Grummon

By agreement with the U.S. Navy any buyer of the ASC needed to be acceptable and 'approved' by it. So Ashley Mason, Wal's strategic adviser, and I made two trips to Washington to meet with and have lengthy discussions with two American Admirals. We needed to convince them that we were a significant and successful construction and development organisation with operations across Australia and Asia. We also had to show that the company had a very strong balance sheet. We succeeded in this.

While in Washington we also had discussions with Northrup Grummon whom we had seen as a preferred partner in the acquisition of the ASC. They are a sophisticated company in the aircraft and weapons area. We never did a deal involving them but we had some fascinating discussions while we were there.

Tidal power installation, Derby, WA

The Howard Government at one of the times when Australia's energy resources were a hot topic decided it should take some action on renewable energy and decided to invite designs for a tidal power plant on the north coast of Western Australia where there is a very large tidal range. I'm not sure how competitive it was but Leighton got the job. A lot of work was put into designing a plant near Derby but the idea did not progress beyond the design stage. Perhaps someday the idea may be resurrected.

Leighton looking back

My time at Leighton was a very interesting chapter in my working life. Wal, Dieter and I came to be known as the Power Team! And I guess we were. During the company's golden

years which I was lucky enough to experience, we made a lot of money for the shareholders and we had a lot of fun. It was, and is, Wal's view that a company in which you can have fun while working hard is a good organisation to be a part of. I am a strong supporter of this view.

A Leighton postscript in Mongolia

In 2010 arrangements were made for Sarah and me to visit Mongolia to get an idea of the conditions and the kind of work Leighton was doing there. We flew Korean airways via Seoul so that we could get from Sydney to its capital, Ulaanbaatar, the same day. I was impressed by the airline. Mongolia has extremes of temperature which can range from -50°C to +50°C so construction needs to be organised and managed with care. Leighton was engaged in open cut coal mining and in that climate construction machinery needed to be run continuously 24 hours a day. We were told that in the preceding year the operation was carried out 24/7 with only five days of lost production.

The initial site accommodation was in the traditional Gur, a circular and readily portable structure, which has a dirt floor, partially covered with rugs, with an open fire in the centre. A local was employed to keep the fire going overnight. We later saw a number of these out in the wild, many of which had a TV satellite dish. We shared some Mongolian hospitality having morning tea in one of them.

Mongolia is a rather strange landlocked country with a population of some 2 million and, we were told, around 3 million horses. We visited some Temples and tapped some bells for a blessing and we rode camels. Sarah and I were both inspired by what we saw and what we were told, so subsequently read a number of books about the great Kublai Khan a monumental historical figure.



Bells surrounding the Buddhist temple in Mongolia



Hamish and me riding camels

Mongolia was occupied by Russian troops for a number of years all of whom abruptly left the country when the Soviet Union collapsed in December 1991, leaving much equipment which included planes and tanks. During the time they were there they built some Russian style solid but rather grand facilities for themselves. We stayed in one of them on the bank of a river and enjoyed it very much. Walking up the river we came into close proximity with yaks- great hairy and interesting looking beasts.

We also met an American who on a visit to the country decided this was the place for

him. He purchased some land and took up residence. There were contrasts too. Many homeless children who survived the harsh winters by living near the underground pipe system which provided heat to parts of the city. An Australian woman who on a visit to Mongolia some years before had become so concerned about their plight that she stayed and became something of a mother figure to them.

The Leighton Team had provided assistance to her in a project to build accommodation for these homeless children. They raised money and helped in some way



Children singing

in the construction of the accommodation. I was asked as the de facto senior Leighton officer to attend a small ceremony at the site to present the cheque.

We needed to be there at a particular time and for that to be met arrangements were made for us to be led by police escort with sirens blazing. I remember we sent a message to Hugh at the time telling him we were travelling under police guard. As part of the ceremony and to entertain us, a small girl had been chosen to sing.

She was tiny and looked about five years old but we were told she was seven. She came to the front, clasped her hands together then froze and couldn't do it. She became tearful and one of the bigger girls, not very big though, came out put her arm around and they sang together. It was all very moving.

We met another interesting person, a very attractive Mongolian woman who was an accomplished electrical violinist. She had apparently performed at Carnegie Hall. She sat with us one evening and we had a most interesting chat. One of the Leighton team clearly had some sort of a relationship with her and we found out that they were planning to marry. After congratulations and well wishes he told us they would invite us to the wedding. We never did get the invitation and I'm not sure if we had, whether we would have been able to get there.

Shangahi Expo

On the return journey from Mongolia we spent a few days at the Shanghai Expo. It was immense and predictably the Chinese pavilion was by far the largest. It made clever use of projectors showing scenes of Chinese historical events both ancient and modern. The British exhibit was centred around their seed bank, demonstrating the care with which many seed varieties, especially

endangered species were catalogued and stored. The Australian exhibit was okay but not outstanding. We had a nice lunch in the French pavilion.

Section 5

Other business interests

O'Connell Street Associates

During my third year as chairman of the Commonwealth Bank I was invited to join O'Connell Street Associates. That was in 1990 and I remained an Associate until the end of 2018. I am now an Emeritus member. I had never heard of the organisation and discovered it did not have or seek a high public profile. Included amongst the Associates were a number of people who had been very helpful to me when I arrived in Sydney after leaving the public service in 1982. They were Sir Eric McClintock, Brian Kellman and Alan Coates.

The organisation was set up by retired CEOs/Chairmen from CSR AMP and Development Finance Corporation who thought a shared office would be a venue for some "retiree fellowship" and also where combined experience could be sifted and possibly form the basis of providing advice to others who may seek it. Apart from that Associates could always get useful comments on any issue they happened to be dealing with in either an executive or non-executive role. Sir Eric McClintock, one of the founders, was Chairman when I became an Associate.

In 1990 the office was at 2 O'Connell Street and it was later moved to 16 O'Connell Street. In 2017 there was a major change. A review of space needs was undertaken and it was agreed to adopt a more modern style of layout with meeting rooms, a boardroom which could be partly converted to "hot desk" space and with very few allocated desks. It is tastefully furnished and

looks efficient. The windows on the east side look out across Macquarie Street, the Botanic Gardens and part of Sydney Harbour. It is certainly a place to go to. As an emeritus member I am able to make limited use of the office facilities and do so from time to time.

When I joined we had a few clients and the small income received was not sufficient to cover running costs. This changed progressively and in a few years the income exceeded those costs and Associates received an annual consulting fee and a dividend. Some of the longer serving members felt uncomfortable with this and some retired.

The way the system worked was through panels of Associates set up to service our clients. Some of the more serious clients who have been with OCA for a decade or more are Bain Consulting, Macquarie Bank and UBS Bank. A recent and somewhat interesting client is the American equity firm KKR.

I was on the Bain panel for a lengthy period and for a shorter time on the Macquarie and UBS panels. UBS was always particularly edgy about conflict-of-interest and would not have anyone on its panel who was also on the panel that was servicing Macquarie. Macquarie for its part had no problem in the reverse direction.

The services which OCA provided included general Industry and economic commentary, mentoring of junior staff and providing a dummy board to critique a presentation that our client proposed to present to one of its clients. I always said after a client meeting I learnt something and I hoped the client did too. The feedback was clearly yes they did.

About a year ago it was decided it would be appropriate to write a brief history of the organisation. I suggested that Jaqui Lane would be a good person to do this as she had recently been involved in writing a comprehensive history of the Commonwealth

Bank. This was agreed, the work is finished and a limited print run for Associates published.

My 28 years as an associate was a significant part of my working life in Sydney. It was enjoyable and constructive.

The Global Foundation

The Global Foundation was set up in 1998 and opened by the then Prime Minister John Howard. It was established through the efforts of Steve Howard - no relation of John - working with the assistance of former Governor General Sir Zelman Cowan. At the time Steve's title was Executive Officer. In more recent times he has become Secretary General. Broadly speaking its objective is to find common purpose among international leaders on big challenges. For a time, I was deputy chairman of its Advisory Council.

Over the years the Foundation has organised round table discussions amongst leaders in various capital cities in Asia and Europe. There was even a meeting held with the Pope in the Vatican.

I attended two meetings in Europe. First was in 1999 in Paris. Tim Fischer was also there. A few years later in 2005 Steve asked me to lead a delegation to Europe. He said at the time he would arrange for us to meet the German President! Steve has an amazing list of contacts and is never reluctant to make this known. We went to Berlin and did meet the President, Horst Kohler, who had been managing director of the IMF. Steve first met him in this role. It was a most interesting meeting.

From Berlin we went to Geneva we had a meeting with Pascal Lamy the Director General of the World Trade Organisation. He actually came off leave to meet us and is another very interesting contact of Steve's. In its efforts the Foundation has tried not

to be too ambitious and in a quiet way has served a useful purpose in getting common and considered thought about some major issues.

Attending Davos meetings

In the period of chairing the Commonwealth Bank and the Leighton Group I attended Davos twice. Nan came with me. On the second visit she had a DVT and ended up in hospital for a few days. We returned to Australia a day or so later than originally planned as the local medico was not keen for her to fly too soon. It wasn't a pleasant experience for her and was a worry for me. Before that happened we had a pleasant evening experience in a horse drawn sledge ride through the forest.

The most interesting part of getting to Davos was the train journey up from Geneva. It was a narrow gauge rather curvy line through snow covered conifers and the small engine doing the hauling had a rather cute high pitched whistle which the driver used frequently.

On both occasions the Hotel we stayed at was up an inclined rack and pinion track from almost the centre of town so getting there was something of an experience. There were other Aussies there and at a suggestion by someone, we had, and wore sometimes, heavy pullovers embroidered on the front with the kangaroo sign.

The facilities in which the various meetings took place were well equipped. Going from place to place outside we wore a kind of galoshes – a framework equipped with spikes for walking across the ice on the foot paths. Despite this one of our group fell and broke her wrist.

The meetings and sessions which I attended were good with excellent speakers and session leaders. There was a full range

of programs and one had to carefully select which to attend. A particularly interesting one dealt with Middle East politics and the key speakers for that session were Shimon Peres and Yasser Arafat. They shook hands, made great promises on working together towards peace in the Middle East and provided superb photo opportunities for the world media. History shows these promises were hollow. Not surprisingly security in Davos at that time was very high with armed troops patrolling the streets and helicopters flying overhead.

Thinking about those I saw and met at these two meetings my impression was the most who were there were genuinely interested in what the World Economic Forum stood for and strived to accomplish and what they themselves could gain from attending. A few though, seemed to be more concerned just to be there and to be listed as being there in significant media reporting. This notwithstanding I continue to think that WEF is an important international organisation.

IXC Australia Limited

This company was formed in 2006 and survived only five years closing on 30 June 2011. IXC UK and IXC Malaysia which were based on the Australian operation have continued to operate successfully. Each of these received financial support from their governments.

The predecessor of IXC Australia Ltd was the Australian Industry Innovation Xchange network formed in 2002. Funding for that organisation came from Ai Group, the Tyree Foundation and various governments. I was involved with this organisation for a number of years and with IXC Australia Ltd in its early years.

It was a not for profit organisation with Limited resources and no institutional backing. Bob Herbert a former senior officer

in the Ai Group was the driving force in the establishment of the “exchange business”. I knew Bob from when we were both involved with MTIA and it was he who ask me to join the board of the company. Essentially the concept was to bring together specific innovators and those with the potential to develop a particular innovation in a framework of confidentiality using trained and trusted intermediaries. It was a good concept and has been shown to work successfully provided there is some institutional support as is the case with the operations in the UK and Malaysia.

Bob tried to persuade the government to support the operation but I think took the wrong approach by trying to heavy the Minister, at the time Kim Carr, to instruct his department to find the money. He ought to have attempted to sort out a deal with the head of the department as a first step. Department heads don't like being manipulated by anybody seeking to do so through their minister.

Engineering, Science and Technology

Australia's Learned Academies

I was elected a Fellow of the Academy of Technological Sciences and Engineering (ATSE) in 1982 and became its President in 1998. I was its fifth president and the first non-knight. I succeeded Sir Arvi Parbo. He was a distinguished engineer and was at the time Chairman of Western Mining Corporation and later Chairman of BHP. I well remember his approach to me to ask me if I would take on the role. We met in my office at the Commonwealth Bank and had a very lengthy discussion and I agreed to take it on. Of its first five presidents three were engineers. One other whom I knew well, Sir Rupert Myers was a distinguished metallurgical scientist

and Vice Chancellor of the University of New South Wales. Our paths crossed in a more interesting way later when he married my first wife Nan.

This Academy was founded in 1975. It is one of Australia's four learned academies. The others are Science, which is the oldest, Humanities, and Social Sciences.

Academy Fellows are men and women who have made a significant contribution in their respective fields. Currently ATSE has membership of around 900 Fellows. It produces policy papers on important matters of topical interest which are made available to government, with appropriate recommendations, and through the Academy's website to the wider public. It also produces a monthly magazine, Focus, each of which contains a series of discussion papers written by Fellows. In 2018 topics covered included:

- Autonomous vehicles
- Integrating bionics into humans
- Energy Storage and Australia's energy future
- Data analytics and the robot uprising
- Safeguarding Australia in the Digital age

The four Academies collaborate as ACOLA and produce policy papers on topical items either at the request of government or are self generated by one or a number of ACOLA Members. The latter are sometimes funded by the Australian Research Council. A series of horizon scanning reports have covered Artificial Intelligence, Precision Medicine, and the Internet of Things.

ATSE NSW Division Committee

ATSE is a national body and each Australian state has a division committee. I served on the New South Wales Committee for a number of years and it is I think the most active of the state committees. Victoria's would be next.

In New South Wales there is a good program of technical speeches at dinner meetings very good collaboration with similar organisations in the other academies; visits to universities; and there is an annual weekend

away, accompanied by our wives, which is a combination of technical inspections, sightseeing and good fun.

A recent one which Sarah and I attended was to Kangaroo Island.

It is the only place in the world which still has pure-breed Ligurian bees. There are some very interesting characters living on the island one of whom makes flavoured gin. We visited his operation and during the general conversation he mentioned that his brother distilled whisky in Tasmania and that while



Seal Bay Conservation Reserve Kangaroo Island



Remarkable rocks Kangaroo Island

his brother has to wait some years before he could sell the whisky he could sell his gin tomorrow!

On the way to the island we called in at McLaren Vale winery and tasted some good drops. On the return leg to Adelaide to catch a plane home we called at a famous chocolate house and watched some of our colleagues buy a little too much.

Having been the President I can understand at times the frustration of local committees some of whom want to think and act as though they are independent, which of course they are not. It mainly centres on finance, particularly in relation to who has control of any surplus which may arise from a function conducted by the state division. This was an issue I faced as President and which led to an agreement being reached on how the use of such monies would be managed.

Attending CAETS meetings

The International Council of Academies of Engineering and Technological Science (CAETS) is an organisation of the national engineering and technological Sciences academies. It meets annually and normally the President of ATSE attends. While I was President I attended three and on two occasions Sarah came with me. These were in 2001, when the meeting was in Helsinki Finland, and in 2002 where it was in Prague in the Czech Republic.

In Helsinki we enjoyed wonderful hospitality great food and saw what seems to be the case in that city, a rather overindulgence of alcohol. Mostly when people have coffee at a café the norm is 'coffee avec' which means it comes with a slug of spirit in it and to have a coffee straight, one has to clearly ask for it that way! Another curious thing I discovered was that I had to stand on tiptoe to use the urinals. Finnish men are very tall.

We were in the Czech Republic not long after there had been quite serious flooding and we saw some devastating signs of that. I have other memories. I was pickpocketed on a tram when we went into the centre of the city of Prague to see the magnificent clock in the city square. It was very slick I didn't feel a thing.

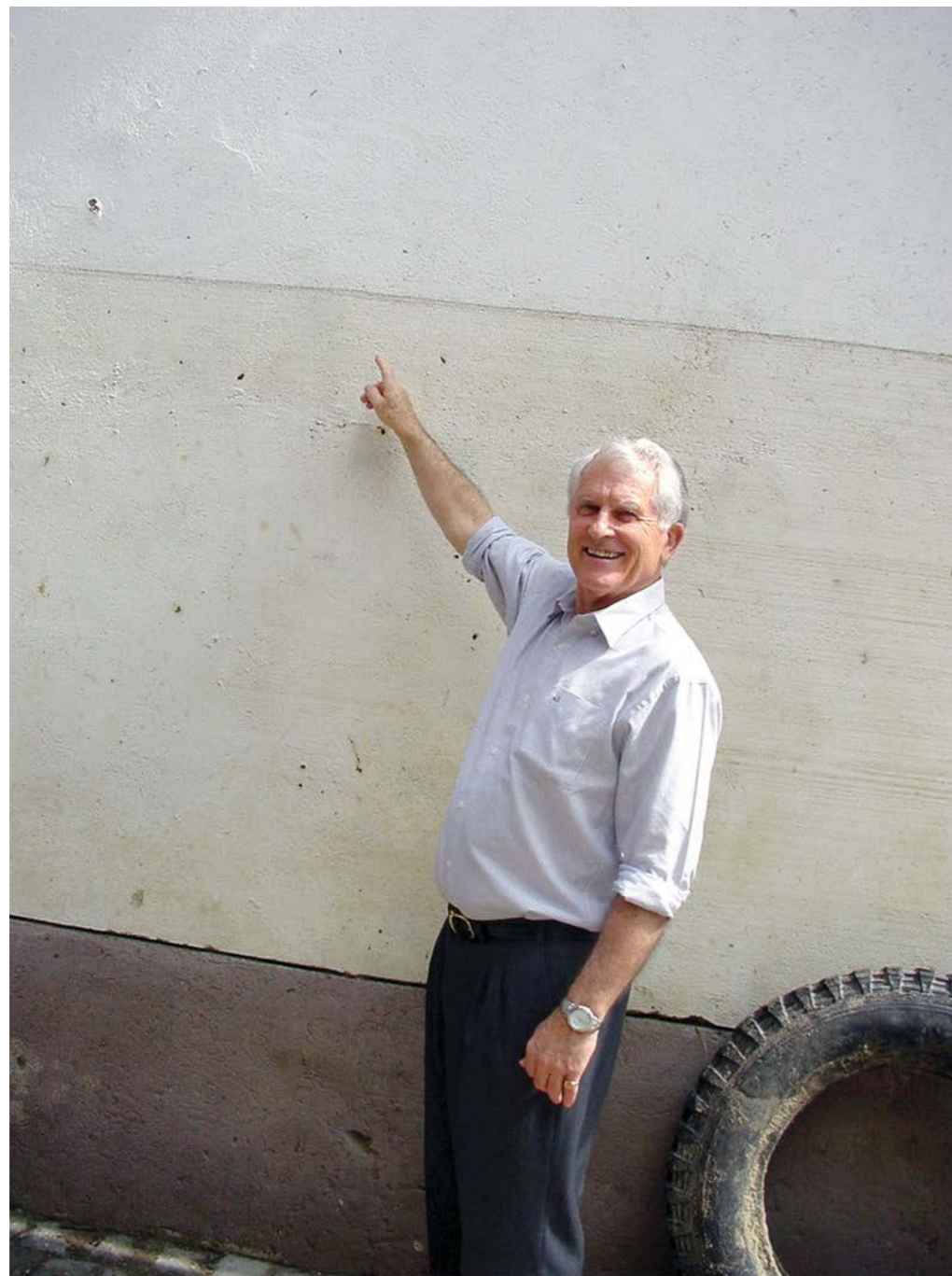
Another was the trouble I had with the safe in the hotel room. As is my normal practice I tried it before putting anything in it. I did and it was fine. However when I put our passports in the safe and later tried to get them out it wouldn't open. I called the hotel desk and an employee arrived armed with a code which supposedly would open any safe. It didn't. The final solution was to remove the safe, take it into the corridor and open it using a drill. I had to stand by to make sure that nothing of ours was taken. I never tried to use the safe again.

We went on a bus trip to Cesky Krumlov to see the castle there which dates from 1240. On the way we noticed a distinct lack of animals on the farmlands. We asked about this and were told that in the Russian occupation farmers had all been kicked off their land which was then turned into communes. After the Velvet Revolution towards in the end of 1989 there was no one around with farming skills to manage the land. The new generation farmers had not been established even by the time we were there.

The castle is on a high cliff above a horseshoe bend in the Vitava river which had flooded most of the lower level surrounding township. There was still plenty of evidence of this visible when we were there.

In ancient times the castle was protected, not by a mote, but by a surrounding bear pit. Apparently the bears were always hungry.

It was a fascinating country to visit then and very different from the time of a short



Me pointing to the water level

visit that I made to Czechoslovakia when it was still behind the Iron Curtain. It was when I was Comptroller General of Customs and the Czechoslovakian head of customers, Dr Broz, had invited me to visit when we were chatting at a meeting of the Customs Cooperation Council in Brussels. When I got to his office, the morning after I had arrived, at around 9 am the first thing he did was to offer me a

glass of neat Czechoslovakian gin. I declined. He commented that it helped his English to end and I said there was no way it would help my Czechoslovakian.

One evening my host said he was going to take me to a place where they began making beer before Columbus discovered America.

He did this and it was a magnificent evening. Many tankards of beer and much singing, to the latter of which I confess, I could contribute very little.

I spent a couple of days looking at their facilities. These were mostly housed in magnificent old castles. He had a magic button his key ring which allowed him to turn red traffic light instantly into green. The lasting impression that I have is that senior officials in that country at that time did very well for themselves!

Parliamentary briefings by ATSE

For a number of years ATSE arranged briefings for members of parliament in Victoria and New South Wales. They were started by CSIRO and handed over to the academy about 10 or so years ago. Victoria started before New South Wales and having sat in on a Victorian briefing to see how it worked I approached the Speaker of the New South Wales Parliament to talk about it.

I was fortunate in that his secretary turned out to be someone I had known at Macquarie University when I was Chancellor and this made it easier to get in to see him. For the proposal to work we needed the support of the Principal parliamentary officers, the Speaker and the President of the Upper House, the Legislative Council. The Speaker and the President warmed to the idea. It was also necessary to make sure the Parliamentary Librarian was in agreement. Our discussions with him brought him on side. This was necessary because he saw briefing members of Parliament as one of his main roles.

We established and documented a protocol and set up a committee representing the Academy, the Speaker, the President and the Parliamentary Librarian. The Committee made the necessary arrangements with the

Parliamentary staff and agreed on topics. We tried unsuccessfully once or twice to get an indication from members of the parliament if there were particular areas of interest to them. Our easy to respond to surveys never got a single suggestion.

Over a period of five years or so we covered a wide range including carbon capture and storage; genetic medicine; recycled water; synthetic fuels; and men's and women's health. In the end the program collapsed mainly I think because the Parliamentary staff involved lost interest and found it a bit of a chore. I think too after Tony Basten and I passed the reins to another Fellow of the Academy the momentum was lost.

The Crawford Fund

One of the interesting organisations with which ATSE has an involvement is the Crawford Fund. It was established largely through the efforts of Professor Derek Tribe and he thought ATSE would be an appropriate home from such an organisation. Its role is to seek a greater understanding of the benefits that come from international agricultural research. Apart from public awareness raising the Fund organises short term practical training for agricultural researchers from developing countries and master classes for research leaders.

Its public awareness program includes an annual conference at Parliament House Canberra which focusses on a selected aspect of international agricultural research with high-level speakers attending. The Fund is named in honour of Sir John Crawford who understood the importance of, and was keenly interested in, the benefits of agricultural research.

During my time as president of ATSE, Don Mentz, with whom I had worked in two departments, Territories and BACA, was

appointed Director of The Crawford fund. ATSE was also responsible for appointing the chairman of the Fund and one of the noticeable appointees in my time was Tim Fischer the former leader of the National party. He was enthusiastic and had a not too hands on approach and said to me later how much he had enjoyed his involvement with the Crawford Fund.

The Australian Research Council (The ARC)

In 2002 I was asked by Brendan Nelson who was then the Minister for Education to take on the role of Chairman of the Australian Research Council. I held the position for four years. The ARC is the vehicle through which the government funds excellent university research, Centres of Excellence and other promising research organisations.

Funding university research has its difficulties. Invariably there are more promising research proposals than there are funds available. The selection process involves review by a college of experts, essentially senior university researchers, which then make recommendations to the ARC which considers them, and in my time in almost in all cases recommended their approval by the Minister. The results are made public and more often than not the right wing media attacked the Minister for, in its view, funding dubious proposals.

Andrew Bolt's criticism so worried Brendan that he was determined to set up yet another review body in the chain. My efforts to head this off failed and so a sort of a citizens review group was created which included Paddy McGuinness, a slightly weird and outspoken journalist, with whom I had worked on the Coombs Task Force many years before, Ross Simons, then a former ABC announcer and another recognisable public figure.

But it failed to do what the minister had hoped. Paddy was essentially against funding anything and it seemed that he dominated this new group.

Towards the end of my term as chairman Brendan moved on and Julie Bishop became the minister. Soon after the functions of the ARC were taken back into the department. In many ways I think this wasn't sensible but I think the view was this would give the Minister more direct control. The trouble is too few ministers understand the importance of blue sky research nor that not all of it could be assured of producing a promising outcome.

In my time as Chairman I was able to get together a pretty good Board. It included Sir Peter Dougherty, Janet Holmes-a Court, Patricia Paspaley and Wal King. Peter Hoj the Chief Executive Officer, recruited while I was there, was also on the Board. He went on to become Vice Chancellor of Flinders University and is currently in 2019, Vice Chancellor of the University of Queensland.

Cooperative Research Centres

These came into being during the time of the Hawke government as a result of a recommendation of the then Chief Scientist Ralph Slatyer. They have continued since then and have proved to be very successful. They operate on the basis of collaboration between Government, business and research organisations. They are funded in part by government and business with research institutions contributing usually on an in kind basis.

I Chaired the CRC on Greenhouse Gas Technology from 2003 to 2009. Its purpose was to examine and demonstrate in a pilot plant, carbon capture and storage. In those six years considerable progress was made on techniques and methods for capturing CO2

essentially from thermal power stations but also other areas such as the production of cement. The upshot of the CRC's work was the burial of 62,000 tonnes of CO2 in the Otway basin in Victoria. It has been monitored since it was stored deeply underground some eight years ago and continues to behave as the model predicted.

Recently there has been some refocusing on this technology and both BHP and Rio who were and still are business partners in this CRC see it, as I and the chief Executive of the CRC when I was there, Peter Cook, do, as a potentially viable response in a portfolio of responses to minimise CO2 emissions. I enjoyed my time as Chairman and believe we achieved quite a lot.

One of the things that made life difficult for the Chairman was the way the company was structured.

Essentially it provided that any organisation which contributed either cash or in-kind support was entitled to a seat on the board. As more and more organisations joined, the numbers swelled and I found myself chairing a board of 30+ people. In a situation like that, board members tend to focus on their representative role and speak for their organisation and not for the good of the board as a whole. This makes it difficult keep steering discussion back to the fundamental role of a board.

I can say though that by the end of my term I had secured the agreement of all parties to the limit the board to 12 members chosen in way to preserve some sense of representation but with general agreement the board needed to, and was now clearly working for the good of the whole organisation.

Bob Hawke's Group

One of the things Bob Hawke did soon after he became Prime Minister was to set up a small group of business CEOs to meet with him at regular intervals and discuss topical and important issues. He was seeking input into business's reaction to what the government was doing to manage and direct the economy and wanted to know what business's concerns were and why. These were totally unrecorded and confidential meetings in suites in various hotels. I was lucky enough to form part of that group. Bob always offered a glass of wine but never took a sip himself. Over a few years we covered some interesting subjects and had many fascinating and I think constructive discussions. I think Bob was the first prime minister to do this since the other Bob (Menzies) did this when he was prime minister. As far as I know no other prime minister since then has done this. Certainly there have always been discussion between business leaders and the Prime Minister but never quite in this more informal way with a group. I enjoyed this collaboration between business and government.

Collaboration sometimes needs a push

When Peter McGauran was Minister for Science one of the things he wanted to achieve was to find way to get a greater collaboration between the various state bushfire authorities. He had sounded them out individually and received only a lukewarm response. He thought a Cooperative Research Centre was the way to go and had tried this in his discussions without success. He asked me to chair a meeting of the heads of the various state authorities which he would call. He thought as an impartial chairman without any involvement in any of the state organisations I might be able to persuade them.

We met for an afternoon in Melbourne. I explained the way Ralph Slatyer saw CRCs working and the success that had already been achieved using this structure. It was clear the concern was they felt the creation of a CRC to which they belonged could in some way interfere with the powers they had under their respective state acts. It took me some time to persuade them this was not the way CRCs operated. They retain their powers and would have the advantage of drawing on university and CSIRO research as well as being able to draw in this non-threatening environment, on the experience and the methods of each of them. In the end they agreed and a bushfire CRC was established in 2003 and concluded in 2014.

The Science and Industry Forum

This was an initiative of the Academy of Science. Its objective was to develop a mechanism to promote something much better than the sporadic and infrequent engagement between industry, universities, and the CSIRO, which was then the norm. I was involved from 1984 to 1986 while I was CEO of Monier.

There were many meetings including an annual summit at Thredbo. I met lots of clever and very interesting people but we never achieved the objective. Some years later CRCs provided the solution.

National ICT Australia (NICTA)

In the second half of 2001 and early 2002 two of the learned academies became concerned about Australia's position in information communication and technology. The concern was that we were slipping behind other countries and something needed to be done about it. The academies

were Science and ATSE and the stirrers were Brian Anderson from Science and me from ATSE. The government eventually responded to this concern by funding and setting up NICTA - (National ICT Australia). Brian was the interim chairman and I was to be deputy. But before I was able to take on that role I became Chairman of the ARC which was the body through which the government provided funds to NICTA. At the time it was the largest recipient of funds from the ARC. The potential conflict-of-interest stopped me from taking any role with NICTA.

Over the years NICTA has spun off quite a number of start ups and has produced excellent results including for example, very sophisticated algorithms which can be used to monitor and control the lights on on-ramps to major roads to optimise their capacity. I remember being unsuccessful in my efforts to get Transport for New South Wales to work with NICTA on this.

There was very much a sense of not invented here syndrome in many areas in Transport for New South Wales. Another interesting thing NICTA did was to develop a program to maximise the use of Canberra's big buses in non-peak hours by using carefully programmed smaller shuttle buses to take passengers to nodes from which the larger buses would be loaded up. Canberra chose not to use this program.

In 2015 NICTA became part of CSIRO's Data 61 and my understanding is that it has made a significant contribution to the skills base of that organisation.

The Centenary Institute (CI) and Centenary Foundation Boards

I became involved with this organisation in 1992 when I was asked by Jim Bain Chairman of the Sydney Stock Exchange, and Chairman of the CI board, to take on the Chairmanship of the recently established Centenary Foundation Board. I agreed and served in that capacity until 1998. About a year later I met Professor Tony Basten the Executive Director of CI who over the years since has been a good friend. Other members of the Foundation Board included Ken Cowley and Tony Berg.

The Foundation's fund raising strategy included a successful US style direct mail out appeal and the "Kick a Goal for Life" campaign. The latter was the brainchild of Ken Cowley who also organised a telethon on Channel 9. The campaign was launched to coincide with the Final of the CBA sponsored Commonwealth Bank Cup awarded to the winners of the school boy rugby competition.

The campaign gave CI a public profile for the first time and much needed funds, raising some \$2m over two years. As chairman of CBA it was my custom to present the cup to the winners of the rugby final. The on field behaviour in the second year of the Foundation's fundraising campaign was so appalling that I caused CBA to promptly withdraw its support. As Tony put it, at the time, CI's initial foray into the community came to an abrupt halt. I wasn't particularly happy from the Foundations point of view to take the Bank out of sponsoring the schoolboy rugby final and I received some criticism for doing so. But it seemed quite wrong to me for a major publicly listed company to be sponsoring a sport which regrettably had turned into a gladiatorial battle.

Centec Ltd was CI's biotech company which I chaired from 2002 to 2004. Other board members were the CI Executive Director, Tony Basten, Stephen Menzies (pro bono solicitor for CI), Paul Harris, a member of the CI board, and Ian Blackburn a colleague and a former chairman of Caltex. The CEO was Dr Paul Tan who came from New Zealand and Denyse Bartimote was the COO.

Centec had a portfolio of projects in cancer, diabetes and infection. The research behind these projects received favourable comment on a visit to the centre by Sir Mark Feldmann a UK specialist in these areas (he developed the revolutionary anti-TNF treatment for rheumatoid arthritis.)

The company's R&D platform was launched the week of 9/11 in 2001 and received little traction in the market place at that time.

I enjoyed my involvement with CI and have continued to be a minor supporter of it's work.

Education involvements

Macquarie University

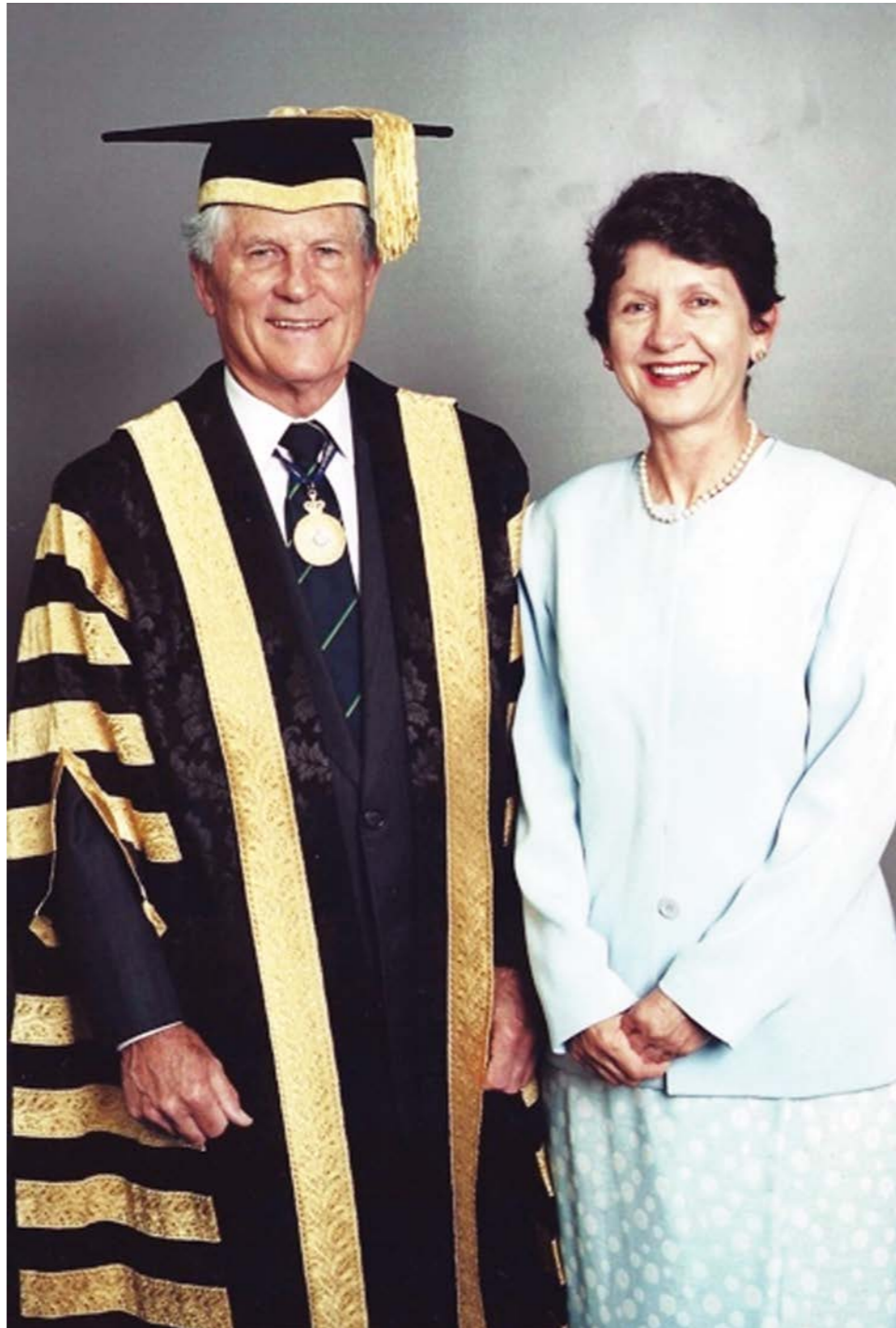
My first involvement with this University was as a part time student between 1979 and 1983. At the time of enrolling I was head of the Department of Business and Consumer Affairs. That department administered most of business law regulation. Sarah and I decided it would be a good idea to enrol in a University course in law. So we did this as mature students undertaking a degree in legal studies (BLegS).

The Law School at Macquarie was then a new faculty and preferred to be teaching law in a "new way". So it had recruited some

interesting Academic staff including Gil Boeringer and Drew Fraser, a self-confessed anarchist. The head of school was John Peden who often said that Macquarie was teaching law "in context".

I remember receiving a severe rebuke when I wrote to him saying context was fine but I really wanted to be taught something

about law and not just context. For the final two years of the law degree course I was Chief Executive of Monier and sometimes it was a scramble to find the time to finish assignments. I can recall startling the security man at Monier when he came across Sarah and me working away in my office around 1 am.



Me in my Chancellor's robes with Sarah at a Graduation ceremony

More than a decade after graduating I became Chancellor of the University in 1994 and served until 2001. It began with a phone call from Di Yerbury inviting me to join her at lunch. I had met her before on a number of occasions but had no idea what the purpose of the lunch might be. Di is a formidable woman and was the first female appointed Vice Chancellor of an Australian University.

After brief pleasantries she came right to the point. The current Chancellor, Justice Michael Kirby, was coming to the end of his term and she was looking for a business person to take on the role: would I be prepared to take it on. We discussed time commitment, the University Council, how it was elected and explored some of its idiosyncrasies. And I said yes I would be honoured to do so.

I learnt later Professor James Rose of the University had suggested that Di might approach me. Jim and I had been at Rolleston House together, during our time at Canterbury University. I note with some regret that I never did catch up with him while I was Chancellor.

The University Council, was a mixture of government appointees, from both Houses of Parliament, those elected by a Committee representing the various Faculties and others elected by the students.

One of the interesting appointees was Eddie Obeid appointed by the New South Wales Legislative Council. For the first several meetings following his appointment he did not attend. I wrote to the President of the Council and said as Mr Obeid appeared to be too busy to attend Council meetings perhaps the President might wish to appoint somebody else.

Very soon after sending that letter I received a frosty note from Eddie saying that he had been appointed to the Council and he was therefore a Member of it and intended to stay that way. He never did attend a meeting.

Very few of the Council members had any understanding of how it should operate for the good of the university as a whole. Chairing it was challenging. My predecessor let discussion run on and on. A Council meeting starting around 4pm would often continue until after 10pm.

I had the same starting time and business was normally concluded by 6pm. I didn't ever gag any Council member and was generally satisfied that I had managed to get a reasonable consensus of views. I accept there would be some members, those pushing their particular interests, who would disagree with me on this!

At the beginning of every Semester parents of new starters were invited to a discussion evening to talk about university facilities and university life. These were normally quite well attended and from talking to parents in the tea and coffee session after the meeting the general view was they were informative and helpful. Di and I agreed it was important and helpful to us too, to get a parent's perspective. I enjoyed those meetings.

The Faculty which was causing Di, and therefore me, the most trouble at that time was law. As I have mentioned earlier it was teaching law "the new way". The left-wing radicals Gill Boehringer, who was then Head of School from 1991 to 1996, and Drew Fraser were doing all they could to make life difficult for the Vice Chancellor. The heads of school before Boehringer seemed unable to exercise any control and Gill of course was part of the problem and continued to be, as Head of School! It took some time for Di with the strong support of Council and mine in particular, to bring them more into line.

I was always particularly interested in the scientific research that was going on. Di used to refer to the research area as "Silicon Gully". There was great collaboration between this area and CSIRO.

One of those collaborations led to the development of a fast local area network chip which is at the heart of the most popular way to connect computers without wires. It is used in offices, public building, homes and coffee shops often called Wi-Fi hotspots. The team working to perfect this technology over a period of 10 years included Professor David Skellern from Macquarie. The sophisticated new chip was licenced to a spin-off company, Radiata, which made a commercial arrangement with Cisco Systems to take the technology to the world. I am happy to say that as a member of the team David did very well out this transaction as did the University and CSIRO.

Around this time I had suggested to Di that it would be a good idea to bring researchers to a Council meeting from time to time to give Members some idea of the scope of the interesting work that was currently in progress. The first person we lined up happened to be Professor David Skellern and the timing was exquisite. Three days before his appearance at the Council meeting he learned of the success of Radiata. As a result his presentation to Council was on a very high note!

Another very interesting field of research at Macquarie was some early work which led to the invention of the blue light emitting diode (LED). In 1995 the potential for light emitting diodes that produced a very bright blue or green light was starting to receive wider recognition. Macquarie's Research was commercialised through BluGlass Ltd 2005.

Still later, in 2014, the Nobel Prize in physics was awarded to two Japanese researchers for the invention of efficient Blue light diodes which led to bright and energy-saving white light being produced.

Professor Trevor Tansley who was a pioneer in Macquarie's earlier work had, as

his colleagues have said, great foresight and could see the potential for research in a given area. He was proved to be spot on in this case!

Whilst at Macquarie I took a great interest in the Sports Association and became its Patron. One of the big projects we were considering at the time was the construction of a swimming pool and associated facilities. There was a site already identified in the master plan next to the gymnasium.

We raised quite a lot of money and had some discussions with the Ryde Council which looked to be promising. Joint facilities were considered but in the end Council went its own way and I think that was for the best. We didn't manage to get construction underway while I was Chancellor but the pool and all that goes with it has since been built and I am told is very popular.

Quite a number of Macquarie students were awarded Sporting Blues each year and it was always a great night when these were presented. One of perhaps the most interesting was won by a female student for barefoot water skiing! She in fact became world champion in that sport. I asked her once how her knees stood up to the sport and she said, with a wry smile, they do, but at times with some difficulty.

One sport I wanted to find out more about was rowing. And I did. I was put in 'the correct rig' and took part in a non-competitive dash in a foursome on the Lane Cove River, Tambourine Bay, Riverview where the Macquarie University Rowing Club has their rowing shed.

I was surprised when I arrived at the Club to discover that the boat had been named after me.



Me and two others of the foursome with 'my boat'

Di Yerbury

I need to add I take my hat off to the Vice Chancellor Di Yerbury. Macquarie University became her life. She led the university for a good part of its formative years. She was at the helm from 1987 to 2006. As I have said she took a keen interest in research work centred on Silicon Gully. She was a very keen inter-disciplinarian and took a strong interest in early childhood education. She would point to The Wiggles as a product of Macquarie University.

She established and curated a sizeable art gallery lending many of her own paintings. This in fact led to some difficult issues when she retired and Steven Schwartz was appointed. They never got on and disputes arose about the ownership of paintings.

Receipts couldn't be found, Di's or the University's. Di had said to me she would leave her paintings to the university when she retired but as relationships deteriorated and tension developed she said they can whistle for them.

Malcolm Irving who has had a long involvement with the University - Deputy Chancellor when I was Chancellor and President of the Graduate School of Management - and I tried for quite a time unsuccessfully to find way to settle the differences which had arisen. We had seen this is as a great shame since it prevented Di being properly recognised for her enormous contribution to Macquarie University. Towards the end of 2019 I understand the matter was resolved.

Graduation speeches

During my time as Chancellor of Macquarie University I gave a number of graduation speeches including at the ANU, Sydney, Newcastle and the University of Technology as well as Macquarie. Generally the theme was don't be afraid to have a go and learn from any failures you may have. I also used to make the point that more often than not most would end up doing something different from the discipline in which they had

graduated and would perhaps be surprised how much the principles they had learned in one area had applications in another. I used to give myself as an example working in Territories and as Chairman of a big bank.

Honorary Doctorate from Macquarie

A year after I finished my time as Chancellor of Macquarie University I was awarded an honorary Doctorate of Science.



Vice Chancellor Di Yerbury and me at the awarding of my Honorary Doctorate of Science.



Sarah, Me, the Governor General, Hugh and Alice at Government House, Canberra.

In the conferring ceremony it was said to be in recognition not only of what I had done for the university but also for my other activities in education and science generally including board membership of the Australian Council for Teaching and Learning in Higher Education and Chairmanship of the Australian Research Council.

I was very chuffed. Sarah and Alice were of course there but as Hugh was working in Hong Kong at the time he wasn't. There is a great photograph of Alice wearing my doctoral hat.

An Australian Honour and Award

I was honoured to be made a Companion of the Order of Australia (AC) in the Australia Day Honours in 2002. The citation reads: "For Service to the community through

the promotion of economic and social development, the advancement of science, innovation and education, and for distinction at the forefront of government and corporate responsibility." A year earlier I was awarded a Centenary Medal for services to Australian society in civil engineering and corporate governance.

University of Newcastle

My first involvement with the University of Newcastle was in 2005 in the Science and Engineering Challenge program it was running. It is an extra curricular program basically for students in Year 10, though sometimes a few year 9s are included. Its objective is to take the mystery out of science and generate a serious interest in taking science and maths subjects in years 11 and 12. The program is Australia wide and is run on a competitive basis. Schools compete in teams of eight at a



Alice

district level with winning teams progressing to competition at a State level and then to a national final.

Wherever teams compete each is provided with the same materials and then competes in a series of hands-on tasks, each of which involves some basic Science. The excitement and competitive spirit at the national final is quite intense within the teams and amongst their families and supporters. The Rotary organisation is a strong supporter of the Challenge and its members are a large part of the 2000 or so volunteers involved each year. Parents and friends also become involved, some as helpers and others as enthusiastic watchers. Community involvement is strong.

I was invited to Chair the newly established Council by Professor John O'Connor of Newcastle University, who was one of the founders of the Challenge. I had been involved with him in 2001 in the launching of a policy document to the government

which expressed growing concern about the decline of physics, chemistry and advanced mathematics in schools.

The Council which was established when the Federal Government first gave the program some financial support and wanted some structure in its organisation. Sadly this support stopped some years ago. It led to a streamlining of the operations of the team which conducts Challenge days and an ongoing search for sponsorship. The former has been highly successful and the latter moderately so. Other members of the Council include regional chairs of operations, most of whom are Rotarians and members of Newcastle University including Professor John O'Connor and representatives from the Science and Engineering faculties at the University.

All students who participated in the program are surveyed a year later. From this the evidence is clear somewhere between

35 and 40% of those who took part were influenced to take science and maths in senior high school. And where it has been possible, subject to privacy rules, to follow up at university level the same result shows through. It is a very cost-effective program in encouraging studies in STEM subjects at senior high school and University levels.

I retired from Chairmanship of the Council at the end of 2018 and enjoyed very much my association with the University and Challenge over those 14 years.



Presenting awards at the Challenge Final 2018

My second involvement with this University was through the enrolment of our son Hugh in 2006 in a degree course in construction management. He graduated with honours in 2010. For the first couple of years he was resident in a campus college. He grew out of that and in his third Year moved into a flat which Sarah bought in the Newcastle suburb of Islington. It is a three bedroom two bathroom unit in a converted wool store - wonderful timber floors and high ceilings. He shared it with two fellow students. Relationships were mostly pretty good but one left owing his share of the rent costs. He was going overseas and when his

mother was asked about it she simply said I'll let him know.



Elders old Wool Store where Hugh lived

Sarah has retained the unit as a good investment in a rising property market.

In his final year at University Hugh got a part time job with a construction company, John Holland. It was a project to rebuild the emergency department of Maitland Hospital and was, I think the beginning of his education in construction. He remarked that he learned more in his first three weeks on the job than in four years at university. After he finished university he remained at John Holland in a full time capacity for the next year. At the end of that year he got an interesting job with Leighton Asia in Hong Kong and moved there in November 2010. He later worked for UGL but they closed down their Hong Kong operation. He then moved to AECOM and was seconded from Hong Kong to Kuala Lumpur and then back to Hong Kong. During this time he gained permanent residency of Hong Kong.

The Australian Council for Learning and Teaching in Higher Education

In 2004 the Government responded to pressure from a group of Vice Chancellors to establish a new education body. Its purpose was to make it clear to Universities

that teaching and learning skills amongst academics are as important as the production of excellent peer reviewed research papers. The new organisation began its life named The Carrick Institute for Learning and Teaching in Higher Education named in honour of Sir John Carrick an active and respected Minister for Education in the Fraser government. A company limited by shares was formed with then Minister for Education, Brendan Nelson, holding all the shares on behalf of the government. A small staff was appointed, and a Board established. Board Members were Vice Chancellors representing each of the states and the Northern Territory.

I was Chairman of the Australian Research Council at the time and had a minor involvement with the Minister, Brendan Nelson, in the establishment of the new body. I told him I was very interested in its role and he appointed me to the Board. John Hay, Vice Chancellor of the University of Queensland, and a leading advocate for the new body, was Chairman and the Chief Executive was Richard Johnstone a former University of Sydney academic.

I was made Chairman of the Audit and Risk committee and two very practical accountants from outside the university sphere were co-opted to it.

Early in the life of the new organisation we received a shock. A Miss Carrick accused us of what was, in effect, of a breach of copyright in that we were using her good name to set up a body in competition with her business. She ran a training organisation which she called the Carrick Institute. She had registered the name. It provided vocational type training in such things as cooking and dress making. She demanded we stop using, in the name of the Government body, the words Carrick Institute, in competition with her organisation.

The Chief Executive Richard Johnstone and I arranged to meet Miss Carrick to see if we could resolve the issue. We did meet and explained in some detail we were not acting in competition with her as we operated in a completely different field. Our discussions up until lunchtime seemed to be progressing towards an agreed outcome. We reconvened after lunch to be met by a hostile Miss Carrick now supported by her angry lawyer and others supporting her. She threatened to sue the Government, which by then was a newly elected Labour government, and said her lawyer had written to the Minister for Education demanding that we cease using the two words which she said constituted competition and a breach of copyright. I remarked to Richard at the time and she must have taken an angry pill for lunch.

The upshot was I suppose predictable although grossly unfair.

The Education Minister of the newly elected government, Julia Gillard, simply told us to make it go away. This meant we had to explain to Sir John what had to be done and why. He and his wife were deeply disappointed and upset, and I also think unable to understand why an institution named to honour his contribution to the nation had to be renamed. I felt terribly sorry and somewhat helpless when Richard and I met Sir John to tell him about the Government's decision.

Sadly the upshot was the renaming of the organisation.

The Council over the next few years managed to get a lot of traction in the recognition by Universities and amongst Academics, that good teaching skills with excellent learning outcomes are as important as the production of excellent research papers. There were awards for excellence based in part, on student feedback, and demonstrated outcomes. Awards were made

at ceremonies to mark this excellence. They were well attended and generated favourable media.

All of this came to an abrupt ending when we discovered in the media on the day of a Board meeting the government had decided to terminate the Council. There had been no consultation with us nor warning given about government's intention. To say we were all shocked is a gross understatement. We learnt a day or so later that the functions of the Council would in future be located in the Department and the staff were to be transferred to it. This did not include the Chief Executive officer.

The next issue was what to do about the Company formed to hold the shares as its only asset. The firm view of the Board, being strongly pushed by me, was that it should be legally wound up. The Minister on the Department's advice was strongly opposed. She didn't like shutting down government companies and I think saw it as a negative reflection on her.

The Board however stood firm. As Directors of a public company we had statutory obligations and unless the process of wind-up was undertaken in terms of the Corporations law we could be at some risk. The debate with the Department was tedious and unnecessarily prolonged.

Finally, the Board's view prevailed and an orderly wind-up process began. By this time I was the only director left standing and it was my responsibility to ensure that everything was done in accordance with the book including for example ensuring that there were no taxation issues outstanding. The process was time-consuming and thorough but thinking about it later, I have to admit I quite enjoyed it, even as the last standing but unpaid, Director.

Other government involvement

The Prime Minister's Science and Engineering Council (PMSEC)

As President of ATSE I was appointed a member of PMSEC when it was set up by Prime Minister Howard in 1997. Broadly its purpose was to serve as the Government's principal source of advice on science and engineering issues. When my term as President ended in 2002 my appointment was continued as by then I had become Chairman of the Australian Research Council.

I continued as a member until 2006. Other members were senior Ministers, the heads of the four Learned Academies and the Chief Scientist. The Council met twice a year and was chaired by the PM.

John Howard said to me once that although he wasn't a scientist or an engineer he got a real buzz out of the meetings. He used to take notes especially when as Prime Minister he committed the government to a certain course of action. Issues raised by non-government members were listed for a progress report at the next meeting. And this always happened. Similarly, when committees of non-government members were tasked to report on some issue or other, progress was reviewed at the next meeting and ultimately the report itself was discussed at a Council meeting where the next steps were decided upon. The follow-up system was very good.

Reports considered during my time on the Council included:

- Australia's Science and Technology priorities
- Biodiversity
- Opportunity for Antarctic and Southern Ocean Science

- The Role of Creativity in the Innovation Economy
- Opportunities for Australian Astronomy
- Nanotechnology
- Brain and mind Disorders and
- Science and Security

The Prime Minister had a keen interest in astronomy and proposals in this field got a very good hearing. The initial steps taken by the Government to establish the square kilometre array in Western Australia were decided on at a meeting of this Council. John Howard was also keenly interested in anything which came before Council on Australia's Antarctic responsibilities. I remember a particular item which came up about the need to establish, and the great advantages of, an airstrip in our territory. Weather conditions were favourable at the time that issue was raised and construction began within a matter of a few weeks.

Later PMSEC became PMSEIC when innovation was a hot topic.

Telecommunications Inquiry

In 2000 I was asked by the government to chair a panel to examine the adequacy of Australia's telecommunications services. Richard Alston, Minister for Communications, Information Technology and the Arts made the approach to me. He said that John Anderson leader of the National Party had suggested the approach. In doing so he told Richard that when I had strong views on an issue I was prepared to put them forward with some vigour. He apparently made a reference to trains. I recalled that at time of Leighton's work on the Very Fast Train to Canberra having a robust discussion with John about the gross underinvestment in rail in Australia and the opportunity then to put in a fast train to Canberra as part of a network from Melbourne through Canberra and Sydney to Brisbane.

When it was announced I would be Chairing this Inquiry two rather surprising things happened. First was a very strong condemnation of my appointment in an editorial in *The Australian* to the effect that as Leighton had a telecommunications network from Adelaide along the East Coast to Brisbane I had a massive conflict of interest and this would prevent me from delivering an objective report. I need to add here that when the report was made public, that paper, in a second editorial, said that it was a good report.

The second was that while I had sold my Telstra shares, as I was required to do, it was claimed, in a press article, I was hiding the fact that I held Telstra shares in my self managed superannuation fund called Castpac Superannuation Fund. I don't know to this day where this claim originated, but whoever was behind it hadn't done their homework thoroughly. I was able to quickly show that those shares had also been sold. An interesting footnote to this is that I was forced to sell at a time when Telstra's shares were then at an all time high. From memory it was around \$6.

There were two other members of the inquiry panel, Jane Bennett and Ray Braithwaite. The Inquiry was assisted by a secretariat drawn from the Minister's Department, the Australian Communication Authority and the Department of Transport and Regional Services.

We undertook four field trips. We travelled from Normanton and Weipa in the North to Hobart in the south and from Cooktown in the east to Port Headland in the west. We did 40,000km by air. There were some interesting experiences. One in particular, was flying into Hamilton in Victoria. The weather was closing in and the pilot said I haven't flown in here before, can anyone see the airport! Several pairs of eyes spotted it and gave the pilot guidance.

We held meetings in public buildings and council chambers. I remember being impressed by the splendour of the Broken Hill Council Chambers. We asked questions and we listened. There were many interesting exchanges. A farmer in the west who grew wheat and raised sheep stressed how important it was to have fast Internet access to markets to determine the best times to sell grain. He said Internet speeds were so slow in his area he could shear two sheep while trying to send his messages. An elderly woman living alone said that Telstra's policy of taking phone lines to the boundary didn't make sense in rural Australia. In her case it meant she needed to provide 500m of cable to the house and to meet Telstra's standards it had to be underground and the ground there was pretty much all rock. I must say we found this reference to Telstra's standards interesting in the light of some of the very shoddy work we saw in Telstra's own pits.

The Inquiry made 17 recommendations. My letter sending the report to the Minister said in part "we also found that while the majority of Australians enjoy adequate services, there are some people in parts of rural and remote Australia for whom key service aspects are not adequate". The report, *Connecting Australia*, was published in September 2000.

Some six months after sending the report to the Minister he wrote detailing the Government's response to our recommendations. It included a funding package of \$163.1 million to improve telecommunication services in regional, rural and remote Australia.

A follow up inquiry was held a year or so later. I had learned it was proposed to ask me to take on the Chairmanship again. I didn't think this would be a good idea so I spoke to John Howard's Chief of Staff, Max Moore Wilton, and told him I didn't want to do it and thought I shouldn't anyway. He agreed with

me and said I'll speak to the boss. He did and I didn't.

At the time I called Max, Sarah and I were driving back from Melbourne and it was difficult to find spot where we could get phone reception. We were travelling up the Murray Valley on our way, via Khancoban and Thredbo to Perisher, to pick up Hugh and Alice who were there on a skiing holiday with Sarah's sister Teresa. I remember Sarah saying, as we trudged through the snow to the ski club hut, "How do people enjoy themselves in all this cold?"

The Wheat Export Authority (WEA)

The WEA was established on 1 July 1999 as part of restructuring the former government-owned Australian Wheat Board in preparation for its sale as AWB Limited. It was felt that a number of the tasks carried out by the previous Australian Wheat Board would not be appropriate for a privately owned body; thus, the WEA was established. The WEA's role was determined by the Wheat Marketing Act 1989 and its operations were funded by a charge on Australian wheat exports.

WEA was an independent outlier of the Department of Agriculture, Forests and Fisheries.

I was appointed to the board of the WEA in 2002. Other members were a senior officer of the Department, Barbara Clark an accountant and a wheat grower and two other growers one from the West and one from the East. The Minister at the time was Warren Truss. My friend, Malcolm Irving, had suggested my name to the Minister.

At that time the Chairman was John Walters a senior partner in a Melbourne law firm. Some time in 2004/5 John stood aside because of a perceived conflict of interest when his firm agreed to act for the

Australian Wheat Board (AWB). John was not acting for AWB himself, another partner was. Although he was overly proper about that he was in my view very improper in that he continued to draw the Chairman's salary for at least a year. In his absence I was appointed "presiding member" and continued to draw the normal board member's salary until I was formally appointed as Chairman in 2005. I continued as Chairman until 2007. During my Chairmanship the CEO of the Authority was Glen Taylor.

WEA had two major functions. First monitoring and reporting to the Government and wheat growers on the AWB's performance in managing the National Wheat Pool. Its second function was to deal with applications from parties other than AWB to export wheat from Australia.

During John's tenure as Chairman a very adversarial relationship between WEA and AWB had developed. This made no sense to me and I sought to and succeeded, to a significant extent, to change that. I remember Warren Truss commenting favourably. John's view had been that whatever AWB did it must be wrong. In light of events which followed he would probably say "I told you so". These events however did not come to light during his Chairmanship.

What did become known later was what came to be known as the Iraqi kickback scandal. Claims were made that AWB paid kickbacks to Saddam Hussein's regime for wheat shipments under the United Nations Oil-for-Food Programs. Payments made were called "transportation fees" which were paid to a Jordanian Company Alia, which kept a small percentage and paid the rest to Saddam's government. We became aware of those allegations through media sources. We sent an officer to Melbourne to have a look at the contract details for those shipments. We had limited powers in respect of our ability to get

detailed information from the AWB and what was done, did not turn up any information of concern. The contracts, in any case, had been approved by the UN.

The allegation caused a storm and the government responded by establishing the Cole Commission of Inquiry. The Commission found that from mid 1999, AWB had knowingly entered into an arrangement that involved paying kickback fees to the Iraqi government, in order to retain its business. The inquiry recommended a number of people in AWB be investigated for possible criminal charges.

An investigation by the Australian Federal police was commenced but subsequently dropped in light of legal advice. ASIC then launched several civil cases against six former Directors and officers of AWB. The upshot was that one person, the former Chief Executive of AWB, Andrew Lindberg, was charged. It was said by some that he was, in effect, a scapegoat. I have some sympathy with this view.

I was summoned to appear before the Cole Commission and questioned at length. Commissioner Cole seemed to accept that we had investigated when we became aware of the allegations and that with our limited powers and resources had failed to find anything. His key question seemed to be what would I have done if we had found the evidence of any wrong doing. My reply was that I would have promptly informed the Federal Police and my Minister. This too, I thought he accepted as reasonable.

In his report however he was somewhat critical of what we had done. I thought this unfair and in the Authority's Annual Report, which was tabled in Parliament shortly after, I criticised his findings about the WEA. Unfortunately, the WEA's annual report is not a best seller so few would have seen my response to Cole!

Despite all this my involvement with WEA was interesting, instructive and largely enjoyable. Other board members, farmers and public servants, were good to work with, as was the small group of WEA staff. I used to enjoy Board meetings and chatting with the staff afterwards.

Visit to China

China was, and probably still is, a large importer of Australian wheat. I thought it important to visit China and speak to the Chinese executives responsible for imports. A visit was arranged through the Department of Foreign Affairs and Trade and Glen and I and one other, spent about 10 days there.

We met several officials involved in the Chinese system of wheat imports and saw the sophisticated and expanding import facilities particularly in the Shanghai area. We also became very aware of the efforts being made by American exporters to compete with Australian exports of hard wheat. They had a presence there and senior officers from government and growers' associations made regular visits. We passed on all we had learnt to AWB on our return and on reflection I don't think they took too much notice. They knew better.

At the start of one of our meetings with Chinese officials it quickly became clear that they thought we were from AWB. We needed to make it clear as quickly as we were able to, that not only were we not from AWB, one of our roles was to report to the Australia government and Australian wheat growers on AWB's performance.

With translation difficulties and cultural differences this took a little time and was somewhat embarrassing. I blame DFAT for not making it clear in arranging the visit. The department was told all this on our return to Australia. The response was a bit ho hum.

China grows wheat in the northern parts of the country. It is a soft wheat and in southern China there are harder varieties but these are not comparable with Australian hard wheat. The contrast in dietary habits between northern and southern China reflect this.

The NSW Transport Advisory Board

Gladys Berejiklian was Minister for Transport in the Baird government before she became Treasurer. She had worked in the Commonwealth Bank at the time I was Chairman. I came to know her quite well then when she wrote one or two speeches for me. A few years later when our paths crossed she told me there would be a Transport Advisory Board formed and she would like me to take on the Chairmanship role. In our discussions about it I encouraged her to make it a small board. I became Chairman of the Board in 2012.

It was a small board. Its members were Paul Forward who had been Head of the Department of Main Roads some years before, Brendan Lyon Chief Executive of Infrastructure Partners, Andrea Staines a former Chief Executive of Australian Airlines and currently a non-Executive Director of QR National. The head of the Department, at the time Les Wielinga, was an ex officio member.

During the time of the Board's existence, it lasted for almost 6 years, there were two changes at the head of the department. Les was followed by Dave Stewart, who had been the head of the Queensland Transport Department. He was enticed back to Queensland when the government of that State changed, to head up the Premier's department. He was followed by Tim Reardon an internal appointee.

Before taking on the job I had read through the Hansard of the parliamentary debates

about the formation of the board. It was clear the Parliament did not want the board to have any powers or any resources! I had been given office space in the Department and on my first day there I had taken the opportunity to speak to several of the senior officers. The most interesting discussion was with the Senior Legal Counsel. She told me she was sorry for me to be Chairing a Board established in a way that ensured it was doomed to failure! Not a very encouraging but, as I discovered a very perceptive comment.

Essentially the Act provided we were to advise the Minister on whatever the Minister sought advice. At the time the Board was formed the Minister for Roads, Duncan Gay, had a sort of tenuous link to the Board although he was not "the Minister" named in the Act. This added to the general lack of clarity. One of the things we had suggested was the introduction of a congestion tax in Sydney's CBD but Duncan Gay emphatically ruled it out and the Transport Minister went along with that.

Early on I asked the Minister what were the subjects or items on which she would like to have our advice. What came out of that discussion was she would like to know whether the Government was getting value from its contributions to the universities by way of commissioned studies on transport issues.

The first thing that needed to be done was to establish just what the universities been asked to study and from where in the Department these requests had come. A bright young woman was designated to manage the exercise. This was the only time the Department provided resources to undertake work for the Board.

She did a sterling job and discovered while a good deal of university research was being undertaken there was no collaboration

between various divisions of the Department and no sharing of the outcomes of the research.

This led to two significance actions being taken across the Department. First was the establishment of an intranet covering university research outcomes and the second was the establishment of a small senior level committee which oversaw and approved or otherwise, all requests for a university to undertake research on transport issues. This Committee was to examine the value for money question asked by the Minister. It never did and as far as I know having had an initial meeting it basically lapsed.

We were asked for advice on other matters including whether the systems in place could ensure that there would be enough staff of the right skills in Transport for New South Wales to manage the very large and ambitious 20 year plan which the government had adopted.

The HR department always asserted everything was under control. There were cadetships and apprenticeships and it does need to be recognised that a decision on numbers and kinds is inevitably subjective. One thing we did push a bit was the idea of secondments both from the Department to the private-sector and vice versa. A limited inwards secondment did occur occasionally when a contract awarded by the Department required the contractor to second a limited number of its officers to work for period in the Department. We thought it should go much further and work in both directions. It never did.

When the Board made recommendations to the Minister the outcome was usually the Department being asked by the Minister to give effect to those recommendations. One specific thing we recommended in response to concern expressed by the Minister was to recommend ways to deal with how the

perceived shortage in project management skills could be overcome. We recommended some staff training at university level or by making use of an online course developed and provided by Engineers Australia.

Although there was a show of support for the Board from the department it was clear from their response and actions the senior officers basically didn't think it was a good idea. I do believe however when Tim Reardon needed to do the necessary major reshuffle of responsibilities between Divisions I helped him quite a lot. I told him that when he had to make such major changes he should "go for the jugular" and not fiddle about with small incremental changes. He later thanked me for helping him to shepherd the changes through.

I suggested a few things through the board and from time to time to individual Division heads. At Board level I put on the table a suggestion that the surplus space at St James station could be turned into a city "check in desk" for air travel and that discussion should take place with airlines to see if they would support the idea. This interested some members but was never seriously considered by the department.

I also became aware through my accountant that another client of his, a company called Hi-Melt, had suggested to Sydney trains that Hi-Melt's in situ welding process could save the Government a lot of money. Current practice was, and I think still is, that when cross-over rail sections become worn a whole new section, made at their Bathurst facility is shipped in and installed. This is quite a costly process. Hi-Melt on the other hand can repair the worn section in-situ and has been doing this for some years in other heavy rail operations around Australia and overseas. Sydney Trains however were intransigent and wouldn't countenance the idea.

I suspect there was an element of Union pressure not to take work away from the Bathurst facility in reaching this decision. I did mention it to the Head of Sydney Trains and the Minister who expressed some concern and said she would take it up with the Head of the department. I don't know to this day whether that happened but the same old practice apparently continues.

When the second Sydney airport was finally agreed I strongly urged, again through the Board, that from day one planning for transport to and from the airport should include a fast rail link with limited intermediate stops. I showed a U-Tube presentation of how it had been done in Hong Kong. It is impressive. There was general agreement this was the way to go. Since then it appears to me the idea of a fast rail with limited stops seems to be being progressively watered down. This I think is a bad mistake.

Following the election in 2015 Gladys became Treasurer and Andrew Constance became the Minister for Transport. He came from Berridale in the Snowy Mountains area and had obviously looked me up. We talked a bit about the Snowy Scheme based on his schoolboy recollections.

By that time the board and become primarily and infrequently used by the Head of Department. In my first meeting with the new Minister, however, he showed a great deal of enthusiasm. He talked about 24/7 availability between him and me, said by way of endorsement of the idea, that he had made that sort of arrangement with Infrastructure for New South Wales. Although he continued to have a high public profile his early show of enthusiasm didn't last very long and he never really took much interest in the Board or sought its advice.

The re-elected Baird government announced a review of the functions of the many Boards which existed throughout the bureaucracy. Against this background and the Minister's lack of interest, the Board's role had progressed by about the middle of 2016 to a situation which became somewhat clearer when I was told it was "the preference is that the Board didn't meet"! I was never able to find out who's preference it was.

This I found to be an extraordinary situation and in the interest of getting some clarity I suggested to the Head of Department that the Board should perhaps continue to provide any assistance which he may seek. It should then cease to operate either when the government had decided what action it would take following the review of government boards, or at the end of the calendar year, whichever came sooner. That was agreed and the end of 2016 came first.

A postscript to this rather untidy finish was that the Department's systems seemed unable to stop paying Board members from December 2016. A funny final event was an offer by the Department for us to repay the two month's overpayments, in my case \$5000, in \$50 instalments. None of us took the time payment option.

Reflecting on this I can only conclude that this was one of the most unsatisfying appointments I ever had. There appeared to be potential but the cards were stacked against us. Apart from the Head of the Department who was a Board member, and who found us mildly useful, the department as a whole regarded us as a bit of a nuisance. Could I have done better? I doubt it. The Ministers' Chiefs of staff weren't particularly helpful and generally were not inclined to return calls. So with some regret I guess I just put it down to a generally unsatisfactory experience.

Section 6

Family matters

Hugh Harrington arrives in the world

From the late 1970's Nan's and my interests were drifting further and further apart and Sarah and my relationship continued to strengthen. We had over the years discussed from time to time whether Sarah wanted children. Her early reaction was no she didn't but then it seemed the biological clock clicked in and she decided it would be a good idea. On 19th of February 1988 Hugh was born at the Royal North Shore Hospital. I was there and although I had been present at the time Rod abruptly came into the world the situation was very different. I remember keeping pace with the obstetrician as he moved quickly to another room to ensure Hugh was breathing properly. For Sarah the birth had not been particularly easy and I have a strong memory of her hanging on to my neck as she stood to get some relief. We decided in all circumstances that on the birth certificate Hugh should be named with Sarah's surname and not mine.

Alice Harrington joins the family

Towards the end of 1989 when Sarah and I were in London, she for Macquarie Bank, we were walking somewhere when she said casually you like children don't you. And when I said yes she told me she was pregnant again. On 30 May 1990 our daughter Alice was born also at the Royal North Shore Hospital. Again I was present and as my first daughter it was pretty exciting.

Leaving, divorcing and marriage

In the latter years of my marriage to Nan I was happy to support her ship cruising enthusiasm. There were two reasons for this. The first was she really enjoyed them and did so regularly with a friend. The second was, I have to admit, driven by the ulterior motive of being able to spend more close time with Sarah and our two children.

Nan and I were in New Zealand for Christmas 1999 and our son Rod was with us. It was a family get-together with Ian and Bryan. I recall the night Rod and I had shared a few whiskys when he said to me "You look miserable". I said "I am. I am trying to keep everybody happy but I felt bloody miserable myself." Rod said "You should do something about it. You aren't happy with Nan and I don't think she is altogether pleased with the situation".

We returned to Australia and Rod's and my discussion was very much in my mind. I decided I should tell Nan the truth about my relationship with Sarah. Nan knew I spent a lot of time at her house with her and Hugh and Alice. I had always said when the subject came up I was there helping Sarah who didn't have a husband.

I told Nan I was the father of Sarah's children and that it had been a carefully considered decision to have children with Sarah. So in the circumstances I thought it best for me to leave. Nan was quite seriously shocked and said "I'm 73 what am I going to do?" I can't remember precisely what I said but it was something to the effect you'll find someone. Not a particularly helpful thing to say at a time like that. She then said I think you had better leave.

So I did and went to Sarah's house to let her know what had just happened between Nan and me. I asked if I could move in. Sarah

said she would need to be sure that Hugh and Alice were okay about that. They were and so I moved into 5 Avon Street in January 2000.

Nan insisted that I tell our Snowy friends with whom we were still in touch that I had left her. I did this and received mixed reactions, mostly not a very supportive of me.

A little over 12 months later I took the necessary steps to seek to have our marriage dissolved. I knew Nan was hurt and so sought to make the process as smooth and civilised as possible. Rod had committed me to pay Nan's legal expenses and I was okay with that.

The property settlement between Nan and me was finalised on an appropriate basis by orders of the Family Court in October 2000 and a decree nia dissolving the marriage became absolute in July 2001.

Sarah and I were married on the 11 August that year. Sarah thought it would be a good idea to marry on her birthday so both important anniversaries would be easier to remember.

We were married by a marriage celebrant at the office of births deaths and marriages in Sydney and had our reception at the Royal Sydney Yacht Squadron. It was a lunchtime event with a small group of family and close friends most of whom had been present at the marriage ceremony. It was a beautifully clear bright Sydney sunny day.

I have often reflected on whether I could have done better in telling Nan earlier and formalising my relationship with Sarah. I know I was apprehensive and did not want to be alienated from Nan and my boys and was concerned about their reaction. I was also concerned about possible reputational damage to the businesses with which I was involved, particularly Monier where I was a new Chief Executive. I have to say I felt some sadness at hurting Nan but a sense of relief when I told her.



Sarah's and my wedding day

Hugh's and Alice's education

I've mentioned Hugh's University education but not Alice's. She got a scholarship to Bond University where she studied marketing and corporate communication. Bond does a "normal" three-year degree in two years by having 3 semesters per year. When she completed the degree she applied for a job with Hong Kong Disney. She spent most of 2011 performing as various Disney Princesses.

When she returned to Australia she worked in marketing for a time with Traffic which is part of the Clemenger Group. She liked the people and enjoyed some of the things she did but in her words found a lot of it was BS! We asked her what she would like to do and after she had spent some time thinking about it she told us she wanted to go back to university to do a Masters degree in Clinical Audiology.



Alice as Sleeping Beauty

She applied to get into a course at Macquarie University and there was a huge field of applicants. She made it through to the final 20 and was awarded some government funding. She really enjoyed the course and performed very well.

She undertook her intern year with Australian Hearing, based in Port Macquarie, and returned to Sydney to work in a privately owned clinic. She enjoyed that too, but always felt there was room for improvement in the way that business was run. She then worked

for a Swiss owned company, PHONAK. In that role she marketed to and supported clinics and audiologists. Her territory was the whole of New South Wales and the ACT so she travelled quite a bit. As well as her work she bought, with parental assistance, an apartment at Centennial Park. She is now engaged to an American whom she met in Australia. They have moved to Denver and she is now looking for work there.

Before they went to university Hugh and Alice after three years at Cameragal

Montessori School went to SCEGS Redlands. Cameragal was a good introduction to early education in a broad way. Taking notice of teachers and learning how to mix and work with different people.

Redland was a full-on school usually with pre-and post school activities. Teaching staff as we got to know them were generally pretty good. I think their individual teachers were better at working with Alice than they were with Hugh. This was in quite large part because Alice seemed to figure out more quickly than Hugh how to manage a teacher student relationship. I think Hugh's teachers could have done a better job at understanding how best to motivate him.

They both played hockey for the school. Hugh was a very good goalie. Alice also performed in the goal but wasn't as quick as Hugh.

They were both in bands and enjoyed taking part in school plays. In her high school years Alice did dance and enjoyed ballet very much. Her excellent posture now is a testimony to this. Weekend sports often meant that the venues for each of them were many miles apart- two cars in action! As a family we enjoyed School fetes together. Like all parents we were tapped for financial assistance. We gave some but not nearly as much as some other parents were in a position to give. They both have a group of Redland friends with whom they enjoy catching up at reasonably regular intervals.

Holidays with Sarah and family

As mentioned earlier I had for many years enjoyed having a holiday get away. Sarah and I decided it would be nice to have somewhere away from Sydney and chose the



Hugh and Alice in goalie gear

Hunter Valley. We also had many other good holidays. These are grouped broadly into True North journeys, Asia and others.

Our house on the Vintage Golf Course in Pokolbin in the Hunter

About the middle of 2003 we were talking to a friend of ours, Les Taylor, who I have known since my Commonwealth Bank days (he was head of the Bank's legal department) when he told us he had just bought a block of land on the Vintage Golf Course in the Hunter Valley. He was very enthusiastic about it.

Not long after we decided to drive from Sydney, about a two hour drive, and have a look. We were shown around by Robert Brooks who had responsibility for land sales. We looked at quite a number of blocks and towards the end of tour of inspection he brought us to the block on which our house now stands. He said that it had been reserved as a site for the sales office but would soon become available

for sale. We asked if we could put a holding deposit, I think it was \$500, on the block. He agreed and we did that day. At the time it and the block next-door were not included in the Deposited Plan and we couldn't complete the purchase until it was. We did that almost a year later not long before we started building.

At the time landowners were encouraged to build architect designed houses. It wasn't compulsory. We had discussions with three architectural firms and settled on EJE Architecture and worked with John Streeter. He was good to deal with and with a few minor suggested modifications produced design plans which met the layout we wanted. Building plans then and now needed to be signed off by the Design Review Committee, a body established by the developer, John Stevens. Landscape plans were also subject to the same scrutiny. And finally the Cessnock Council's approval was needed.



Vintage house under construction

On our architect's advice we asked two builders to quote. One was from Steve Baker whose company is BWR Constructions and with whom John Streeter had worked before, and another also known to John but not as favourably.

We were somewhat shocked at the numbers but found on further investigation that we were in the ballpark in this area for that kind of structure. BWR Constructions was the lower of the two and after making some smallish money saving changes to the plans, we signed up.

Construction got underway in March 2004 and although the pool and a few minor things had not been finished, the house was fit for occupation in time for us to move in for Christmas 2004. I remember the day well. The builder and our architect were there to welcome us with a couple of bottles of wine.

We have enjoyed a lot of quality time in our Vintage house since then. Lots of golf mostly pretty average but good fun including in recent years twice annual events with a group of my former Leighton colleagues when they play for the Tim Besley Vintage cup. The golfers start with breakfast at our house and it takes up most of the rest of the day.

The True North

The True North is a purpose-built small ship which has a crew of 32 and carries the same number of passengers. It is equipped with a number of smaller craft, called tenders, for fishing and crabbing and generally exploring areas adjacent to where the ship anchored. It also has a helicopter with a landing pad. Sarah and I have travelled on the True North four times.

The first was in 2004 when Wal celebrated his 60th birthday. He generously hired the entire ship and all passengers were his close friends. On that journey we travelled from

Wyndham to Broome. It was a truly amazing experience going up the rivers coming close to the waterfalls and using the small craft to catch a lot of fish.

Sarah hooked a giant Trevally which was about as long as she is tall. It took her some time to land it and because the rod holder around her waist was broken she ended up with a sore spot on her hip. Having landed and measured the fish it was then put back in water, gently coxed into being able to swim again, and off it went. I think that was the first large fish Sarah had ever caught but she certainly caught the fishing bug then.

She caught many others including a large tuna which I think would be larger than the one Wal had caught, but he was awarded the fishing hat at dinner that night for the most significant fish caught.

Sarah and I had a couple helicopter trips and with those and the land excursions we made were able to see a good bit of the Kimberley country.

There were a couple of particular highlights on our way to Broome. One was anchoring over Montgomery Reef at high tide and then seeing the reef rise out of the ocean as the tide went down. We spent a little time on the reef and enjoyed the sea life including some large turtles.

The other was going through the horizontal falls at high-speed. The falls result from a large body of water flowing through a narrow outlet from a higher into a lower body of water. The time we went through it there was a very large croc lurking nearby.

When we got to Broome we needed to cast our votes in the 2004 election and I must say I was impressed to find that the small electoral office there had all the necessary papers for the electorates in which all of us on board the True North lived.



Sarah's first big fish

Most of us walked along Cable Beach and watched the sun setting over the sea and did a few other things in and around Broome before heading our separate ways home.

The second in 2007 was in and around Papua New Guinea. It was called Adventures in Paradise. We flew from Cairns to Port Moresby and then on to Alatau in a charter aircraft and boarded the True North there - more fishing, swimming for those who wanted it and land inspections of interesting features.

We also took a plane trip up to Goroka in the highlands. There we saw the Mud Men.

It had become very touristy and we were tested a bit by locals wanting us to pay for the privilege of holding their babies and being photographed. Wal and a few others bought mud men helmets to take back to Australia where of course they had to be heat treated to meet quarantine regulations.

We travelled around a little by bus and saw magnificent vegetables but sadly some



Mud men dance

rather rundown coffee plantations. These had previously been owned by expatriates, bought by the government and given to the locals. I found this all very disappointing as during my days in Territories department more than 30 years before I had visited the area on a number of occasions and seen for myself how successful the coffee plantations were whilst owned by expatriates.

It was rather surprising to find we were unable to buy coffee in Goroka, once the centre of an area growing top quality Arabica coffee beans.

It was also a bit too touristy.

The third was in January 2014 from McLaren Vale in South Australia to Ceduna. On the first two trips those on board were close friends of Wal and Denise but on this trip Sarah and I met different and interesting people. We were supposed to go into Kangaroo Island but the weather prevented us from getting

into the harbour. On the way there are many small islands with long white sandy beaches and seals and sea lions aplenty. The fishing was good and we caught quite a few South Australian Sand Whiting.

On one fishing trip the crew member looking after us put down his rod to help one of us re-bait a hook. He lost his fishing gear which was pulled overboard by some creature of the sea. He was distressed by this as it was rather a special rod given to him by a well-known fisherman.

He had carefully noted the spot where this happened and at lunch time went back to this spot and to our surprise was able to retrieve his gear.

We were also taken to see the operations of the Pacific Oyster growers. The work is hard and time-consuming. We ate some and agreed they are not in the same class as Sydney Rock oysters.



Simultaneous catches – not sand whiting.

Another type of snaring seafood was catching blue swimmer crabs. It involved putting very smelly fish heads in wire crab pots, dropping them off in a large circle and circling around to retrieve the crabs from the pots.

The fourth True North trip was in November 2015 on the Sepik Safari Cruise.

Here again the passengers were mainly strangers but did include one couple we knew, Rob Purves and his wife and sister. It was as we had found before on the True North an

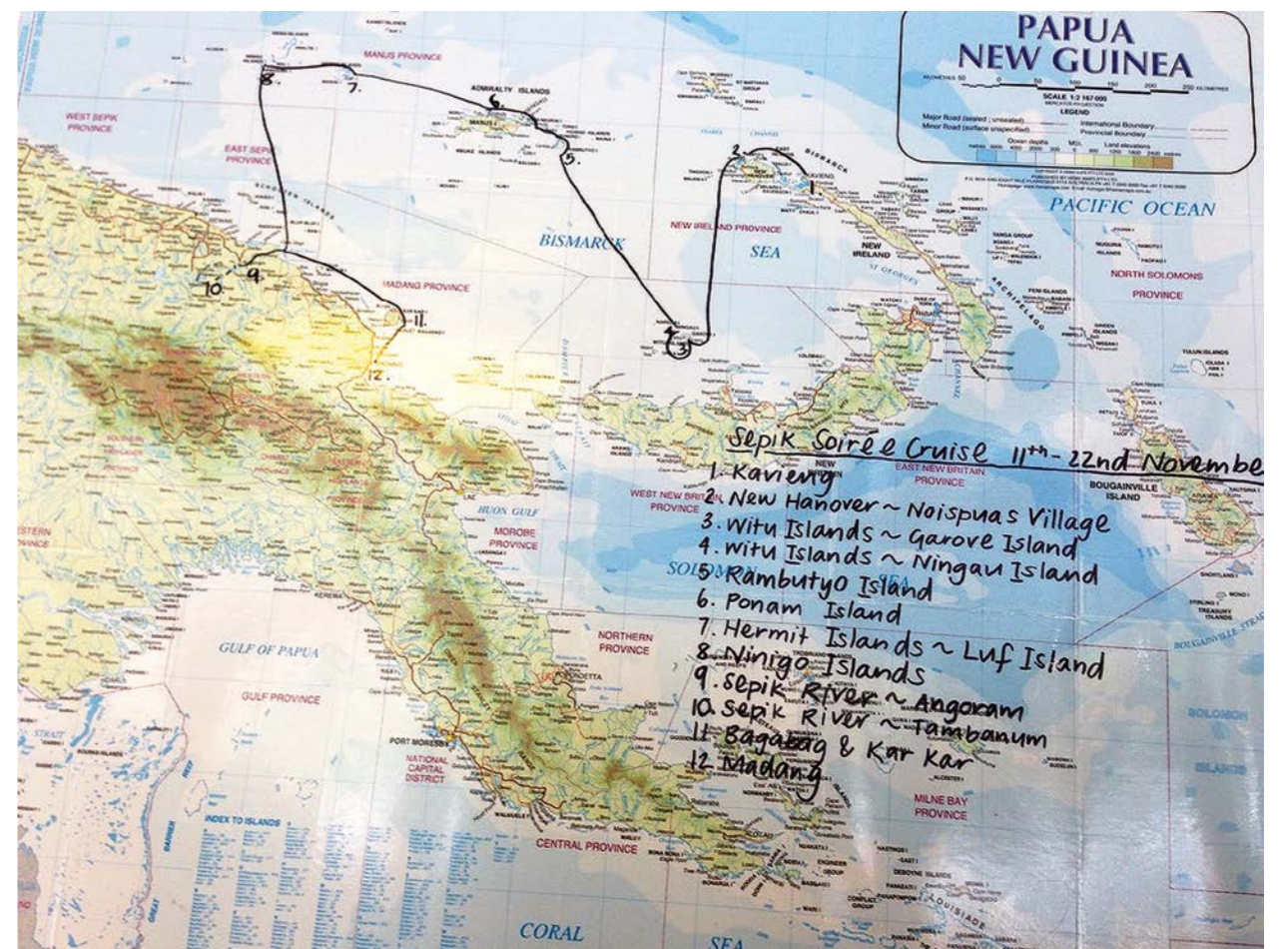
excellent crew many of whom we knew from earlier trips, great food and good fishing in the sea but not in the Sepik.

Before we got into the river I hooked but didn't land a couple of interesting fish. One was a sailfish which we saw as it leapt out of the water and the other I think was a good size tuna that we didn't see enough of to be sure.

On our journey up the Sepik we saw yet again an example of the good relations which the crew of the True North have with



Blue swimmer crabs



Map showing our route

the villages visited. It is their practice to bring things, including clothes collected through previous requests to passengers, for the children. The people didn't waste anything. We handed out mosquito nets which came packaged in bales with tape around each bale. Everything was prized by the people.

While going up the Sepik one of the crew members dressed in a Spiderman outfit stood on the top deck and as we passed villages kicked balls into the river which the kids, in great excitement, swam or paddled out to retrieve.

On this cruise Sarah and I took a helicopter trip into a remote village. Here we saw young men having their backs cut and clay rubbed into those cuts. This was a procedure which was meant to give them a crocodile like appearance and was clearly very painful. We saw quite a number of them sitting rather hunched up around a smoky fire. This was to prevent insects attacking their wounds.

It was a practice which had largely stopped when the young men began leaving their villages and going to Port Moresby in search of work. Many were disappointed and soon returned home. This, over a remarkably short period led to the revival of such practices as the one we saw.

From that village we travelled up the river to the next Village in a large hollowed out motorised log canoe.

Here we learnt of some rather horrifying practices of the past when showed the village meeting house. It had large log piles at each corner supporting the structure. Apparently in times past enemies of the tribe, when captured, were shoved in the holes alive as the building was constructed. This was supposed to protect the tribe from its enemies.

Asian trips

One trip was work-related at the time of the hand back of Hong Kong to China in 1997 and it's worth making a few comments.

It was an historic occasion. There were lots of former British officials present including the former Governor Chris Patton. Prince Charles was there representing the Royal family.

Because I was Chairman of Leighton I was given a front seat position at the actual hand-over ceremony. There were speeches of course none of which were too long and the whole thing was done with great dignity.

Later we watched a flotilla of colourful craft in Victoria Harbour from the top story of the Shangri-La Hotel on the Island. It was disappointing to see the behaviour of Alexander Downer the Foreign Affairs Minister, puffing a big cigar in a grand manner and blowing smoke about the place, particularly as Sarah, Wal and Denise's and other children were present.

A day or so before the actual ceremony a group of us including Gareth Evans the shadow Foreign Affairs Minister had been out on the head of Leighton Asia's boat. After a good fish dinner in the string of restaurants on the old airport site we were making our way back to our hotels, security was tight and we were stopped at one point and told we had to deviate around a few streets and come in to the back of the hotel from different direction.

Gareth didn't like this and protested that as a senior politician he shouldn't have to make the detour. Even when he got down on his knees to protest and plead it made no difference at all to the implacable Hong Kong policeman. And so we made the detour!

Kota Kinabalu

In December 2012 Sarah, Hugh, Alice and I had a holiday in Sabah.

Getting there was a little trying. We wanted to do it in a day and found, for Sarah, Alice and me, the only airline on which we could get that service was Air Asia. Its ground facilities were pretty rudimentary and its aircraft old and rather cramped. Hugh had more options and the more comfortable flight. We stayed at the Shangri-La Raza Ria Resort and Spa right on the beach. Morning walks along the sand were a great way to start the day.

We did some interesting things. We visited the orang-utan enclosure where as an endangered species they were being bred and cared for. It was great to watch them feeding and playing.

We did an evening cruise on the river and saw masses of brightly shining glow worms. The light seemed to me to have a greenish tinge. We also saw a large number of proboscis monkeys which I think are indigenous to the area and are also carefully protected.

As well as those things Hugh and I enjoyed a game of golf. Unfortunately for him



Hugh, Sarah and me outside the orangutan sanctuary

he had a bad hook that day and there was lots of bush on the left side of the fairway. It was one of my good days and I was hitting them straight and fairly long. We enjoyed it.

The Mekong trip

In February 2013 Sarah and I joined a trip up the Mekong with a Botanica Group. The group runs tours with a focus on Flora. We boarded the ship in Vietnam having spent a couple of days there and were soon in Cambodia. We enjoyed both the Vietnamese and Cambodian food. At all meals there was a choice between Asian and European food and we stayed with Asian.

We visited a number of villages close to the river. One of the more interesting things we saw was the way the Cambodians were recovering, not always successfully, unexploded bombs and using the metal to forge tools. The bombs were a hangover from war in Vietnam and were dropped in Cambodia by American bombers to disrupt the supply chains of the Vietnamese Armies. We saw lots of wonderful vegetables at various markets and a few colourful flowers.

As well as nice things we saw some pretty awful things. We went to the killing grounds where there is a pyramid of human skulls and the evidence of many mass graves reflecting the ruthlessness and cruelty of the Pol Pot Regime. To us the incredible thing is that many of those around at the time of Pol Pot remain in government today. After our trip on the river we stayed at Siem Reap.

We visited Angkor Wat at dawn and watched the sun come up over the quite significant remains of the temples. We toured the site which in many areas needs a good deal of work to preserve what remains.

Looking at it one cannot help but admire the ingenuity of those who built it.

At the time we did our trip on the Mekong the river levels were down so we travelled the last part of the journey to Siem Reap by coach and saw crops and other farmlands on the way. It is a quite large and relatively modern city with good hotels and restaurants. While there we went to see a silk farm in operation and bought some of the finished product at very reasonable prices.



Angkor Wat at sunrise

We went home by way of Hong Kong to visit Hugh who by then had worked there for three years.

Singapore and Hong Kong

In August 2014 we visited Singapore and Hong Kong. By then Singapore was not the cheap shopping place we had known many years before. But we enjoyed it. A highlight for us was spending the best part of a day at the Gardens by the Bay. These are extensive and on reclaimed land. It is very good to wander around them and try to take it all in.

There are beautiful flowers including of course masses of orchids everywhere with two quite distinct features.

These are massive pyramid shaped glasshouses. One representing the regions of the world and the other the different flora that grow at different temperature levels.

In the former there are for example good displays of South African, Australian and northern hemisphere plants. In the latter we saw those which grow from sea level to those which grow in the colder mountainous regions. As you progress upwards towards the top of the pyramid around a spiral walkway the temperature gets progressively lower and there are marked changes in the types of plants.

As well in the gardens there are large artificial trees with a walkway between some of them some distance above ground level. The gardens use a great deal of energy most of which is generated on site from waste materials- pruning and the like - collected from the gardens.

We found a place to get a good coffee and a snack and, to our surprise, a very nice Japanese white wine.

The hotel we stayed at, the Sofitel, had just been refurbished and celebrated a reopening

while we were there. To mark the occasion there was a function with champagne and caviar which we were very happy to join. Having done that we went outside and enjoyed some good local street food.

Visit to Myanmar

In October 2016 we went to Myanmar. It was not an easy place to get to. We flew to Singapore and overnights at the airport. Very early the following day flew to Bangkok and from there to Mandalay where we spent the night. The next day after a bus ride and some sightseeing we boarded a small boat, the Scenic Aura, which carried 40 passengers.

We spent the next several days travelling down the Irrawaddy River. The boat had a gym and a small walking track on the top deck. The walking track was used by a few passengers but as far as I could tell Sarah and I were probably only ones who used the gym.

There was a cocktail hour before dinner which was very convivial. As well as drinks then, many others imbibed liberally before lunch. We declined.

The food was pretty good on-board and although we made land excursions each morning and afternoon we returned to the boat and had all meals on board.

We were divided into groups for our visits to villages temples and small manufacturing operations. Our leader had been involved in the student unrest movement some years before. He had been in jail for reasons about which it never became clear and had spent some time in Australia. He had been to university and had degrees in archaeology.

One evening he gave a very interesting after dinner talk on the history of Burma/ Myanmar. He began with the story of the early kings, and went from there to the colonisation by England, the support of the Japanese

against the Allies during the Second World War and the granting of independence from England in 1948. Interestingly Burma was the only colony that chose not to join the Commonwealth.

There are seven major ethnic groups in the country who generally speaking don't like one another. After the Brits ceased to be the colonial power in 1948 the administrative structure left in place to manage affairs was not sufficiently skilled and competent to deal with the competing issues between these groups.

This led to what was effectively a coup by the army which still retains strict control over what happens in the country. It is a country rich in resources and which has China sitting, perhaps threateningly, on its northern border.

In the villages/towns we saw a great deal of poverty and manufacturing processes which were generally fairly basic and manual but very skilful. We saw women making pottery where one turned the potters wheel by rhythmically pushing with her foot a stick against a peg in the wheel to turn it while another shaped the pot. These were then air dried to gain sufficient strength to pile into a pyramid around the base of which a large fire was built to fire the clay.

The production of gold leaf for jewellery and repair work on some of the many temples was undertaken by strong young men who by repeated heavy blows with sledgehammers hammered a small gold ingot into an immensely long strip of gold leaf.

The manufacture of lacquer goods is one of the country's specialities and centres on Bagan.

It tends to be a specialised country in the sense that operations are established in particular locations with environments which suit the process involved. For example

lacquer needs the dry climate of Bagan to ensure that hardening occurs. There are two sorts of lacquer, light and heavy. The lighter weight lacquer is built on a framework of woven horsehair and the nimble finger skills of the women who spin the frames needs to be seen to be believed.

We also saw some large puppets – the type that are manipulated from above by strings – being made.

We visited many temples and climbed up many stairs near and within them. At one stage one of the designated Visitor Policeman thought I needed assistance going up a flight of stairs. There is a photograph of us and our friendly policeman taken by a fellow tourist who suggested that I was then under arrest!

It is rather a paradox that a country with vast resources and literally heavily gold encased and bejewelled temples, should have so much poverty in evidence.

In one particular Temple famous for its tiles we were shown a walled area where these had been stripped by German archaeologists some years ago.

We saw many markets with great vegetables and for one of their staple products rice, we learnt that some 20 different varieties are grown. Soil is rich, water is plentiful and unlike almost any other rice growing areas in the world Myanmar is able to grow two crops a year.

The last part of the journey to Yangon, formerly Rangoon, was by bus. The roads are not particularly good nor are the old British rail lines running alongside the road. They are still used but clearly are in need of significant maintenance.

Parts of Yangon are in good nick with nice parks and gardens. In the poorer areas they are pretty ugly.



Hammering gold leaf



Lacquer worker weaving horsehair onto a frame prior to applying laquer.

Despite the fact that there is the equivalent of a Canberra, called Naypyitaw, purpose built to the north of Yangon as the seat of government, most of the generals choose to live in Yangon.

We asked our guide about buying rubies. He told us there were two places near the hotel we were staying in which were both reputable.

He introduced us to one of them and we did buy some. On our return to Australia we had them valued and concluded we had a very good deal.

During the last few days of our stay in the country we became aware of the burning and looting of Rohingya villages, allegedly by the army, on the country's western border with



Us with our friendly policeman

Bangladesh. Apparently some years before this, one of the tougher generals arranged to have the ethnic groups categorised. The result of that was that the Rohingyans were not included as an ethnic group belonging to the country. This was a somewhat strange outcome since it appears they were amongst the earliest inhabitants of what was then western Burma.

The Rohingyans are Muslims and the bulk of the Myanmar population practices Buddhism.

At the time I thought Aung San Suu Kyi was to be admired for what she appeared to be trying to do. More recently she appeared before the International Court of Justice (ICJ) in the Hague to argue that the alleged systematic persecution of the Rohingya

population was not genocide. This is despite evidence to the contrary and the presence of nearly 1 million Rohingyans in refugee camps in Bangladesh. Of concern is the fact that her denial generated strong approval in Myanmar, bolstering support for her as well as for anti-Muslim nationalism.

Hong Kong, Malaysia and Singapore

A year after we had been to Myanmar Hugh had moved from Hong Kong to Malaysia so we decided to visit him passing through Hong Kong on the way there and returning via Singapore. We enjoyed a couple of days in Hong Kong even though when we arrived at our hotel we were told we did not have a booking. We had booked this through

booking.com and apparently on checking the credit card used and discovering it had been compromised the booking was cancelled. We were not happy about this but were able to sort it out with the hotel.

We had done many things in Hong Kong in the past including going to Stanley Markets but we went there again and bought up on linen sheets. We also enjoyed a nice lunch at the seaside.

The journey from the airport in Malaysia to Kuala Lumpur was a bit tiresome with our Uber driver being pulled up by the police for an illegal turn. I wondered again why the Malaysian authorities had built the new airport so far away from the capital.

I had been there before for Macquarie University graduation ceremonies.

We met up with Hugh and stayed in his apartment. It was at least 10 times as big in the area as those that he had become used to in Hong Kong and the rent was significantly less. We ate some good street food and enjoyed Malaysian beer. Hugh was pretty busy but had arranged to take us to a very nice restaurant to celebrate Sarah's birthday on 11 August. He also took us to the helicopter bar, an old heliport on top of a high rise turned into a "must go to" bar. That was quite fun and it was good to catch up with him for a few days.

We returned via Singapore and spent a few days there. We stayed at the Sofitel again, enjoyed the adjacent street food and discovered a coffee bar run by an Australian using coffee grown on the Atherton Tablelands in Queensland. That was a good discovery because good coffee is not always easy to find in Singapore.

We made a repeat visit to the Gardens by the Bay and enjoyed them as much as we did on our visit there three years before.

The wedding in Goa, India

Sarah's nephew Max Harrington was married in March 2018. He married an Australian Indian co-worker Rachana – they had both worked in Goldman Sachs in Sydney and London. They were legally married in Islington London and then travelled to Goa for a traditional Indian family wedding.

As Max explained Goa was chosen as a sort of central location for those whom they wished to invite to the wedding. We travelled to Goa via Hong Kong and Mumbai and discovered that Indian airports can be somewhat confusing with no useful directions.

We had E-visas and were blissfully unaware on arrival that there was a special line for those holding E-visas. We got right to an immigration officer's desk, which took some time and were then directed to the special E-visa line. It was long and progress was exceedingly slow. There was trouble with the fingerprint pad which added to the delay.

We got to the departure desk for our flight from Mumbai to Goa and found as we expected we had missed the plane. We explained this to officials, showed our tickets and said we needed to catch another flight. After looking carefully at our tickets we were told we had missed the flight! We said, I think reasonably calmly, we were aware of this and what we needed was another flight to Goa.

After some further somewhat convoluted conversation we were able to purchase new tickets. All this was happening around 3am and we were becoming a little irritated.

We were due to meet up with family members on arrival in Goa. They had discovered we were delayed and arranged for a car to be there to meet us on arrival. It was, but clearing the Goa airport took some time.

After nearly an hour in a rather high-speed and somewhat nerve-racking drive we arrived, had a shower and managed a few hours sleep.

We were staying in a three-bedroom cottage each with a bathroom. It was one of a number of cottages attached to the hotel where the wedding ceremony was to take place. We shared the cottage with Simon and Cathy, Teresa and Laura, and when Hugh and Alice arrived a couple of days after us they slept on mattresses on the floor. They had come in through Bangalore and Chennai respectively.

Each morning a team arrived made a cooked breakfast for us and returned after the meal to wash up the dishes.

The hotel and its cottages were about a five minute walk from a beach on which there

were many basic traditional eating places where most nights we had our evening meal. We drank a lot of Kingfisher beer rather than drinking tap water. It is a good drop and is widely exported. It was a good setup and Sarah's brother Simon, had done a great job in sorting and allocating the accommodation well in advance of our arrival.

It was good to have our family together even though for a short time.

We had been told it would be appreciated if we wore Indian gear to the wedding. So we went shopping. For the girls it was Saris and for the men it was colourful lengthy tunics white pants with an enormous wasteline with legs tapering to ankle tight from the knees down, and pointed shoes.



The four of us in "wedding gear"



Sarah after tying the knot

Associated with the actual wedding ceremony were get-togethers with the bride's family. We met most of them at a dinner on Friday evening. We enjoyed meeting Rachana's parents Veena and Simha

There was a reception on Saturday and most of the women had the traditional henna patterns painted on their hands.

Sunday was the day of the ceremony itself. It began with a parade to the hotel grounds led by a group making Indian music. The groom in colourful Robes and wearing a matching headpiece pedalled a bicycle. It was noisy and colourful.

The ceremony was conducted on a kind of stage curtained on three sides erected in the hotel grounds. The officiating "minister" spoke in Sanskrit. He had a great sense of

humour and periodically would break into English to explain what was happening.

There were many bits of symbolism – the bride and groom throwing a tied scarf around the neck of each other when a small screen between them was lowered and Sarah being required to tie them together loosely with scarves, to tie the knot for example.

After the ceremony there was a lengthy and comfortable lunch under the palm trees in the Hotel grounds. At night was another grander feast with dancing after. It was a memorable event.

Monday was going home day with some, including Hugh, having to leave very early in the morning.

Our experience with Indian airports was no better on the way out. We went from

Goa through Chennai and on to Singapore, changed airlines and on to Sydney.

Our brief experience of that part of India didn't encourage us to return. But we did enjoy Goa. It is a former Portuguese colony, which has a lot of interesting history and some quite magnificent 16th century churches and other buildings. We spent some time wandering around them.

We also took the opportunity to visit a spice forest and I was somewhat surprised at how many different varieties we saw growing basically in the wild.

My 80th birthday

We held a celebration for my 80th in March at our house in the Hunter Valley where I happen to be sitting now doing this bit of dictation. My three brothers came from New Zealand to help me celebrate the day.

David was accompanied by his 5th wife whom he had divorced and was trying to get back together with. Ian the only one of the four brothers who was still married to his wife Gwen who came with him. Bryan who was also divorced came alone.

Nan to whom I was married for more than 40 years was there too with her husband Sir Rupert Myers. Rupert and his wife Io were Nan's and my friends for many years. In a strange way that life plays out, after Rupert's wife died and Nan I were divorced, I got a message from Rupert one day telling me that he had asked Nan to marry him and she had said yes.

I well remember on the day of my 80th Nan taking me aside and saying you are happy with Sarah aren't you, to which I said yes I certainly am and she said she was very happy with Rupert so wasn't that all good. It was.

I learned later from a mutual friend, that Nan had told her she forgave me on my 80th birthday. That same friend also told Nan apparently, that I had done her a favour meaning having left and divorced Nan she ended up in the fortunate position of being married to Rupert.

Sarah and I rented two houses nearby to accommodate my brothers. The party was held on our east facing barbecue area on beautiful Autumn day. It was largely a family affair but there were special friends there as well. Doug Cameron whom I had known for some 75 years and his wife Elaine, Colin and Loretta Henson, and Neville and Eileen Jeffress. It was a memorable day.

Brothers' 80th birthdays and some travel in NZ

Sarah and I went to Ian's 80th birthday in New Zealand in 2013. Trev and Chris came too. We overnighted in Auckland staying with Robyn Willis a long time family friend. She drove the four of us to New Plymouth the following day.

The celebration was at Ian's place at Pukearuhe and he arranged a number of different celebrations. There were barbecues on the lawn for his Lions Group with a Family gathering the following day. We spent the next day catching up and drove back to Auckland for a return flight the following day. Chris and Trev left us after Ian's birthday celebrations hired a car in New Plymouth and spent a few days travelling in the North Island.

We were back in New Zealand again two years later for Bryan's 80th. Alice was with us then. Once again Robyn kindly gave us a bed in Auckland and we enjoyed a nice dinner at Robyn's friend's waterside restaurant. The next day we drove to Ian's place and settled in at the Castle. We had Bryan's birthday there



Me and Alice masked up

and headed for Taupo the next day. We stayed in a motel on the Lakeside and enjoyed very much the hot pool in the grotto attached to the motel.

After breakfast the next day, where we were reintroduced to toast with peanut butter and banana, we first drove to Orakei Koraku Cave and Thermal Park then on to Rotorua for a brief look around on the way to Whakatane to catch a boat out to White Island.

White Island lies on the active fault which runs up from Greymouth on the West Coast of the South Island through Wellington and Taupo and then on through the Island.

It is actually an active volcano and has erupted in the past. Once in the 1920s putting an end to an operation there for the purpose of recovering sulphur. On arrival at the island visitors are issued with gas masks because there is, in places, a very strong sulphur dioxide

smell. Alice rather thought this was an overkill but was quick to put on her mask when we encountered the first dose of sulphur dioxide.

There are remnants of the old operation, parts of concrete structures and some rusted metal work. Surprisingly in one corner of the remnants of a concrete building there was a small, less than a metre high, pohutukawa tree growing in what is a very unfriendly atmosphere.

It was shocking to hear of the recent eruption and its devastating consequences.

On the return trip from the Island we enjoyed watching large schools of dolphins.

The next morning we travelled to Matamata to see the structures created for filming Lord of the Rings. This was a great experience.



White Island



Me, Sarah, Robyn and Alice in front of a Hobbit House.

We stayed the next night with Robyn's friends, Allen and Di In Tauranga. It was an interesting place. They had bought it from a developer who had turned an old caravan park into a number of house sites. Together the owners of those sites shared an old, large hot water swimming pool maintained in good condition and with a change of water every week.

It was a particularly cold night and to get to the pool a few metres down the hill was a bit uncomfortable but a warm up in the pool was magnificent!

The next day Robyn drove us back to Auckland where we dined and stayed with her that night before our flight back to Australia the following day.

Coolum holidays

The Coolum resort in Queensland opened in the late 80s. For some unknown reason, I was invited to take a free weekend along with

my partner. So Sarah and I and Hugh, who was probably around one at the time, duly took up residence in the Ambassador units which were top-of-the-line. From then on for quite a number of years Sarah, Hugh, Alice and I enjoyed many holidays at the resort. It never ceased to amaze me how both Hugh and Alice from an early age managed to climb easily to the top of Mount Coolum.

It was a very child friendly resort with "Kookaburra" groups and such like, where kids could make things – trays and clay dishes all the kind of things – that kept them occupied and which they enjoyed. There was also golf and archery, as well as swimming in any one of the number of pools and bike riding. Both of our children learned to ride bikes at Coolum.

On some holidays there we ventured out. We went to Fraser Island saw extremely clear pools with very fine sand and rode camels along the beach. These were actually a bit disappointing as they the ride was short and each beast was led throughout the ride.



Hugh and Alice at the archery range at Coolum

We also went to the Eumundi markets a number of times. This was in the early days of those markets which we have been back to since to find they have become a bit junkie and have deteriorated in our view.

It's rather sad that since Clive Palmer took over the resort it has basically collapsed in a heap although as I understand it the golf course is still operational. It certainly hasn't been maintained at the standard which led to the Australian PGA to be played there.

Baby sitting in London plus . . .

Sarah's job at Macquarie Bank in Correspondent Banking required some overseas travel from time to time. She needed to be in London in the northern autumn of 1997 and arranged the visit to coincide with the Australian September school holidays. So she, Hugh aged 9, Alice aged 7 and I, went to

London together. We were there for about 10 days including two weekends. It was a great time.

New worlds for the kids, and for Sarah and me, particularly me, doing things in London and further afield that I hadn't done before.

In London on week days while Sarah worked we visited Victoria and Albert Museum, the Natural History Museum and did the Tower of London and the Crown Jewels. Sarah actually came with us for the last of these having arranged a meeting scheduled to make it possible.

I particularly remember the very large animated dinosaur at the entrance to the Natural History museum. It was spectacular and created a lasting impression. We also travelled to Windsor to try and see Legoland but unfortunately it was closed. In London Hugh wanted to go to the simulation of

the London blitzkrieg. From the outside it appeared noisy and rather scary. Hugh went, said it was cool and confirmed it was indeed very noisy with lots of search lights and other add-ons.

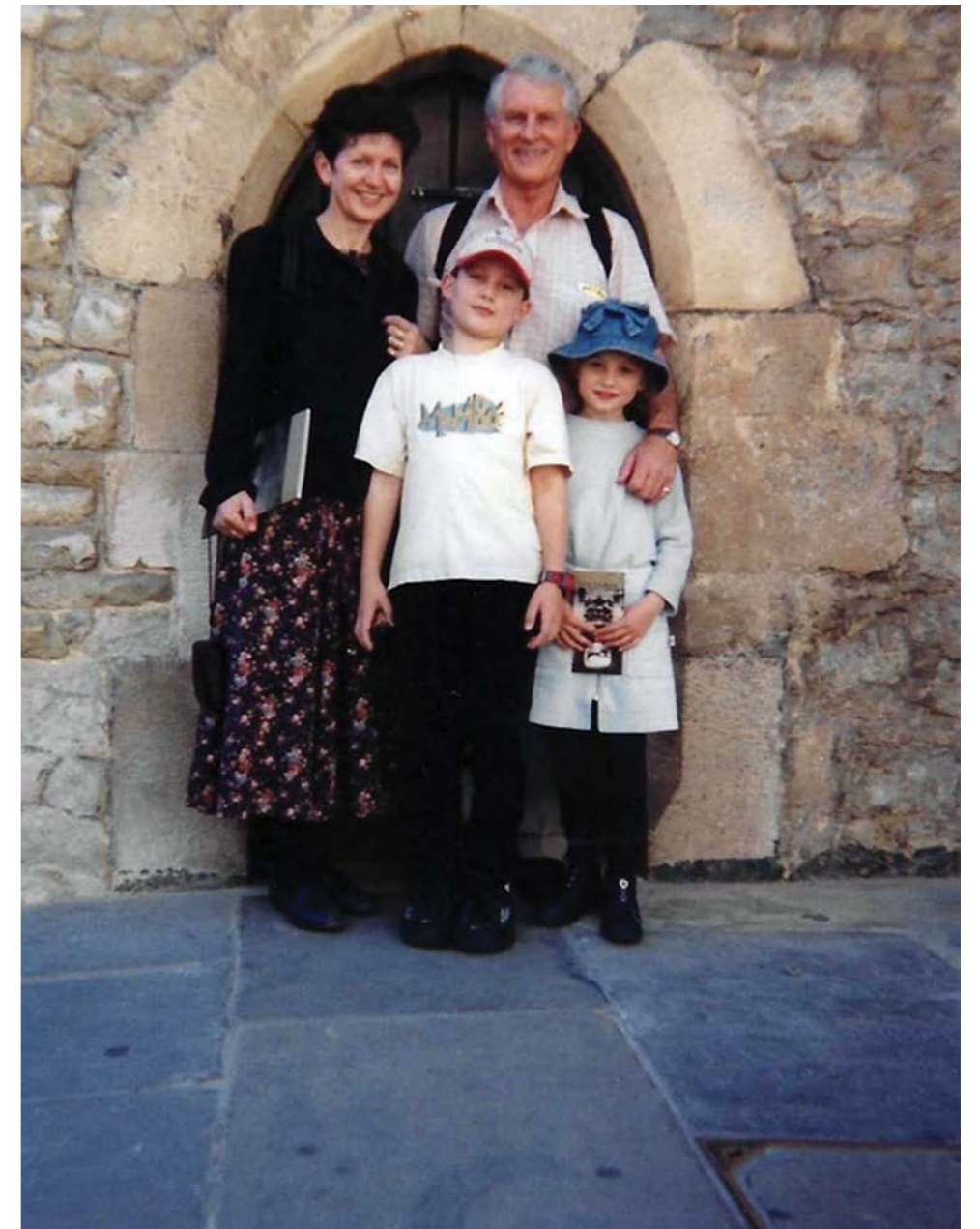
On one weekend the four of us took a short train trip to Hampton Court Castle where we enjoyed the maze, and didn't get lost. We also saw some old style dancing as we along with many others sat around the dance floor. When the demonstration was over, onlookers were invited to have a go. We did and it was fun.

On the second weekend we went further afield and went down to Bath and while there visited nearby Stonehenge.

The Roman baths remain a spectacular example of the skills that nation had in building, and serve as a reminder of their exceptional skills in the construction of lengthy aqueducts. Stonehenge which Sarah and I had seen before conjure up feelings of wonder and mystery. Who built them? How were these massive stone structures erected and what do they mean? Hugh was



Hugh trying to feed a squirrel in Hyde Park



The four of us at the Tower of London



Alice, Sarah and Hugh at Hampton Court

particularly taken by what he saw and was happy to wander around amongst the stone structures for ages.

We returned to Sydney and all agreed we had a great time in London and the Bath Area.

Adventure holidays with the King family

We shared two holidays with Wal and Denise and their two children Julian and Alexander.

The first was in 1998 and it was a road journey along the Gibb River Road in the Kimberley. The starting point was Broome which was where the two families were to meet.

We decided we would go by way of Alice Springs and spend a few days in that area. Sarah, Hugh, Alice and I went to the airport in



Hugh and Alice in front of Stonehenge

a stretchy which Wal had arranged. He said he thought the kids would enjoy it. And they did! We flew to Alice Springs and spent a couple of days there during which we all climbed Ayres Rock (Uluru) and explored the Olgas. We have an interesting photograph taken by a fellow climber of the four of us on top of the rock.

We are grouped around a cairn in which there had been a book for climbers to give their name and to indicate how long it took to reach the top. When Sarah and I went up some years before I remember taking it out to enter our climb which took I think around 40 minutes to see not far above our entry, that Walker the famous New Zealand runner had done it in 12 minutes!

A little retrospect

And that reminds me of that earlier climb which Sarah and I did towards the end of the



Top of the Rock

70s. We needed to be in Darwin for a Customs Collectors' conference and decided to go by way of Alice Springs. We flew from there to Ayers Rock on an old DC 3. We were the only passengers but the side doors of the aircraft were opened and we were able to take low-level aerial shots of the rock.

We landed on a gravel strip alongside the rock and checked in at the motel for an overnight stay. Both it and the air strip were pretty basic. This was all well before the current tourist facilities near the rock were constructed.

We climbed the rock on a rainy day. It was actually quite spectacular with water running off in lots of mini waterfalls. We had been told that there were fish on the top of the rock and in the small but deepish waterholes

we did indeed see very small fish which from memory I think I imagined looked like mini lung fish. Apparently they hibernate in the layer of mud at the bottom of water holes in the dry season and pop out when it eventually rains and fills the waterholes.

We had told them at the motel we would walk back. And we did in the pouring rain, It is a fair way, around over half the perimeter of the rock, and it took us some time. We went to dinner that night and when I asked to see menu the waitress said "It's chicken love."

The lessees of the motel were aware that shortly new facilities would be built further away from the Rock and were simply letting it rundown.

The Gibb River Road

After our Ayers Rock adventure we caught up with the King family in Broome as arranged. The road runs from Broome to Kununurra a distance of over 1000 km. It is basically unsealed all way with the small bits sealed around Jack's Hole, Halls Creek, Fitzroy Crossing and Turkey Creek. We planned to travel the whole length with the side visits including to El Questro. That wasn't far off the Gibb River Road but we also visited the Bungle Bungles which was some distance to the South.

The Bungle Bungles are pretty amazing. Many fascinating rock formations and the extraordinary valley of miniature palm trees. We came across the nest of a bower bird in the valley which was surprisingly well stocked with odds and ends.

Our guide and driver had a magnificent voice and sang once in Cathedral Cave a kind of amphitheatre which made hairs on the back of my neck stand up.

The accommodation was basic. Small triangular dog kennel shaped structures in which two persons closely bunked together. It was okay for Sarah and me but Hugh and Alice weren't particularly happy with it.

The road into the Bungle Bungles was very windy and our two suffered a little from carsickness, but we all agreed it was a very worthwhile visit.

Our journey along the Gibb River Road was not without its incidents. The Vehicle we travelled in was an Oka, an all terrain vehicle manufactured in Western Australia. It was very heavily laden with luggage strapped

to its top. Wal and Denise don't travel lightly so we were overloaded. The road surface is pretty rough and we blew several tyres. When the last spare had been used we were stuck.

Wal is always well-equipped and had a Sat-phone on hand so we were able to call ahead to Jack's Hole for a spare. We were some distance away from Jack's Hole and while we were waiting for help to arrive the kids played soccer on the rough old road.

Eventually a curious vehicle arrived. It was a very open air, no front windscreen, and ancient car being driven by a real character. Having delivered the spare he left us and went on ahead. We caught up not long after he had gone and discovered he had been hit on the forehead by flying stones and had a rather nasty cut. He was very cheerful however and we went on to Jack's Hole in convoy where he was checked out by the local medical staff and pronounced fit to continue his interesting Northern Australia life.

Having arrived at Kununurra we did massive loads of washing. The description of the outback as red is very true. We flew to Darwin for a rest and then on to Sydney. The whole journey was memorable.

A short visit to South Africa

Before dealing with our second adventure holiday with the King family I should mention that some time before, Sarah and I had gone with Wal to a meeting in South Africa with senior executives of Murray and Roberts, an engineering company well known to the Leighton Group. We flew from Australia to Johannesburg for a night. The next morning we first flew to Maun in the company's executive jet. Arriving at the international terminal was an interesting experience. We had to carry our bags from one side of barrier to the other and then take our bags back to a very different plane to take us to the Okavango

delta. We spent a couple of days there at a company owned camp where animal watching was superb including a night safari. When we returned to Johannesburg we flew again on the company's jet to Cape Town. I well remember being served a chilled white wine at about 30,000 feet by the company's managing director.

At Cape Town we enjoyed some good South African wine and a Cable car ride up Tabletop Mountain.

We then went to Sun City, a rather overrated and overdone golfing and animal watching facility. We finished our trip with a visit to Victoria Falls and on the return to Johannesburg we did some interesting and quite low level circuits over Victoria Falls in the jet.

The second adventure trip

With Wal and Denise and their two boys we flew into Johannesburg. It was in the September school holidays in 1999. We overnighted there and left the Kings' two boys and our two at the hotel for a short time while we went out to dinner. Something happened between the kids and when we got back to the hotel Hugh and Alice were pretty tearful. They had a real 'willy' that night so Sarah slept with Alice and I slept with Hugh.

The next day we flew to Maun in Botswana where we stayed the night. Brody, a South African who was our guide for the Botswana trip, and his Australian partner Danielle picked us up and took us back to the airport in Maun. Interestingly they subsequently married and moved to live in Australia.

At the airport we climbed into a small aircraft and flew into Guns Camp. I remember we had to chase an elephant off the strip before we could land. The camp is in the Okavango Delta and the accommodation is in individual family tents sensibly furnished for sleeping.



The Oka with Sarah, Alice and Hugh



Guns Camp

The tents needed to be secured during the day while we were away to keep the baboons out. We ate at a central location where the staff were very friendly and prepared to cook almost anything we would like to have.

We were shown the bridal suite in which Alice who was 9 at the time declared when she married she would like to stay in it but she would not bring her husband.

We travelled around the Delta area in small boats called mokoros and saw lots of wildlife including hippos who are said to be one of the most dangerous animals in the African continent as they are known on many occasions to have overturned boats tipping out their occupants. Hippos can't swim but travel very fast underwater running along the river bed.

One excursion we made from Guns Camp was to see a man who had a rather extraordinary ability to train elephants. They could catch a tennis ball on the end of their trunk stand on their hind legs and demonstrate a kind of endearment for the trainer. He too seemed to have some special relationship with his elephants and we

reached the conclusion that he thought more of them than of his female partner.

From Guns Camp we returned to Maun and rejoined Brody.

We travelled in a four-wheel-drive vehicle with bench side seats that gave us ample room to observe the country and animals as opportunities came along. We had decided at the outset that it would be a camping trip and the only motel we stayed in was in Chobe on the banks of the Chobe River which is the boundary between Botswana and Namibia. As I understand it the Holmes a Court family had an interest in the motel at that time.

Because we were camping we were accompanied by a large truck with all our supplies including tents, camp beds and food together with a reasonable supply of good South African wine. This truck preceded us to the camp site each day and unloaded our gear. We set up our tents and made our beds.

Most of the time we camped in a place for only one night. Our camp setup was very civilised even to the point of a hot shower under a suspended bucket with holes. Brody



Hugh being friendly with an elephant

was a good cook and we enjoyed good food and good wine.

I remember we camped on a Hippo trail one night. We did not see any that night but it was interesting to consider the possibilities. On another night we witnessed a most spectacular thunder and lightning storm.

We saw countless animals including many elephants.. I particularly like one showing a group of elephants in line astern formation crossing a river with a kind of plimsoll line along their sides showing where they were wet and where above it they were still dusty.

We saw lions taking down both antelope and Buffalo. And we saw them mating. Brody had told us they do it every 15 minutes then have another go. Hugh was fascinated by this and actually timed one encounter which he said was exactly 15 minutes.

We saw many others including hippos, rhinos, cheetahs, wart hogs, hyenas and many varieties of antelope. The bird life too was spectacular ranging from the rather evil looking vultures to the very gracious Sea Eagles which are extremely good at plucking fish out of the rivers.

Botswana seemed to us to be a very well run country. It treated white settlers well as far as we could see and it managed its production of diamonds so as to build up funds for the future. As we travelled around Botswana, at times one got the impression that the country could be in danger of being overrun by elephants there were just so many.



Elephants crossing a river



Giraffes and lions

Zimbabwe

Brody was not allowed to operate in Zimbabwe so he left us as at the border. He had been a good guide and we became quite friendly. We caught up with him and Danielle at a small get together after they arrived to live in Australia which Wal and Denise organised at their house. They seemed to have settled in well to the new life.

Mugabe was still very much in charge of things when we were there. He clearly lived a high life with all the trimmings. We saw a rehearsal for a function that he was attending which involved a fleet of some 20 Mercedes.

His treatment of white settlers as far as we could gather was pretty atrocious. Farms were being repossessed and one young man we met had been born in Zimbabwe and wanted very much to become a tour operator. He couldn't do this unless he took in as a partner a Zimbabwean with half ownership of the business for which the Zimbabwean contributed nothing. He, and apparently all-white settlers and their descendants were not allowed to take any money out of the country.

We went on a short safari with this young man and the highlight was witnessing Native wild dogs dealing in such an orderly way with a antelope they had killed. It wasn't a 'rushing in and tearing into it' affair as is the case with other wild animals we saw, in particular hyenas. The dogs were taking turns and according to our guide a female which had been left to guard the young in the den was later on the scene to get her share. I'm not sure how our guide could make that claim but he seemed so certain.

While at the Victoria Falls Hotel, where we stopped for lunch, we saw part of a very British wedding. Top coat and tails on a rather ruddy faced and somewhat plump groom and his bride.

We also saw some people bungee jumping off the bridge over the falls which looked and probably was very scary.

Our accommodation in Zimbabwe was a very upmarket tent which had pseudo gold plated taps in the adjoining bathroom and we were escorted from the tent to our meals in the dining room by a Zimbabwean carrying a long protective spear! It was all very touristy even to the point that a special watering hole had been created for easy viewing from the hotel.

We flew from the airport at Victoria Falls to Johannesburg and on to Australia. At the security line in the Victoria Falls airport the screening was so sensitive they picked up the smallest bits of metal, including wedding rings and the numerous small metal treasures that Hugh had in his pockets. So it took a little time to get through.

The Botswana adventure with a little bit of Zimbabwe added on at the end was a truly great experience which both our families enjoyed immensely.

Molesworth Station and white water rafting on the Clarence River, New Zealand

In 2011 Sarah and I went on a trip organised by Robyn Willis in the South Island of New Zealand. The group which Robyn had organised included her friends and friends of my brother Ian. Ian was unable to come in the end and a farming friend of his John took his place. The total number of the group was twelve tourists and four guides.

We began with a tour of the Molesworth Station which is south of Marlborough and is located behind the inland Kaikoura Mountain range.

It is New Zealand's largest farm of over 1800 km² and has the country's biggest herd



Our group

of cattle. It is a farm where conservation farming and recreation go hand-in-hand.

We began four days of rafting starting from Molesworth Station at the confluence of the Clarence/Waiiau Toa and Acheron Rivers 700 m above sea level and rafted down the river to its mouth near Kaikoura.

We set off in a sort of flotilla with two passenger rafts, each holding 6 members of the Group and a very experienced guide from Clarence River Rafting. A slightly larger "supply" raft held all our camping gear and food with a guide and a helper. In the passenger rafts all team members paddled the craft under the watchful eye of the guide.

At the time we travelled, November, the rapids were grade 2 which are medium sized and less than a metre. They can get up to

grade 3 with waves of up to 2 m. Even with our small waves at one point someone went over the side and was pulled to safety by his wife who jumped into the water to grab him. I also wobbled a bit at one stage and the restraining hand of Sarah kept me on board.

We camped on the riverbank each night. Everyone erected their own tents and our guides prepared the food.

And what food. The first night we enjoyed crayfish, salmon, and I think some paua with well-prepared vegetables and good wine. The standard of the food throughout the four days of our journey down the river was truly magnificent. The wine was good even though we ran out of red after the second night.



Pulled up on the river bank for the night

The journey down the river was unique in many ways. The isolation and the silence broken only by river noises, our paddling efforts and our chatter was great. The rock formations very much a geologists' paradise though none of us professed to be a geologist. The activities of the wild goats climbing almost vertical slopes and hopping from one small rock to another was interesting and at times a bit nerve wracking to watch.

On some days it was quite cold and on the second day if the chopper had been able to get in and offer Sarah a way out she would have taken up that offer very swiftly. We lit fires on the riverbank to warm up from time to time taking care in siting the fires.

As we got near to the mouth of the river we encountered some rather brisk winds and a pretty decent surf. We stopped short of that

of course, pulled the rafts out of the water and took part in packing up all the gear.

All agreed it was very memorable trip.

A visit to Niue, March 2019

For some time during 2017 and 2018 Bryan, Ian and I had talked of the three of us getting together. We finally made a firm decision to do this about November 2018 and locked in bookings for the next year's March visit. Ian who is not a great traveller had heard of Niue and had suggested it as a good venue. It is the smallest independent nation in the world, although we discovered when we were there it is heavily dependent on financial support from New Zealand.

Niueans all have New Zealand citizenship and more of them live in New Zealand than do



My barracuda

on the island. It is a small island 250 km² and is the largest raised coral atoll in the world. To get there we flew north from Auckland for around 3½ hours. Sarah was with me, Ian's wife Gwen with him and Bryan's partner Janet with him. Bryan, the youngest of us, had been in poor health for some time and sadly he died not long after we returned. I'm so glad the three brothers were able to have that week together.

There is not a great deal to see on the island. There are no beaches and access to

the rocks is down fairly primitive and poorly maintained steps and ladders. There are some quite nice smallish caves and one or two attractive swimming inlets. There is a concrete wharf which had tiers of containers stacked on it when we were there. We asked what went out in the empty containers and were told not much. A Tarro export business had been tried but had failed as had an attempt to grow passion fruit for export. A fish factory had been set up but apparently it was scaled up too rapidly and ran into financial trouble.



The six of us at the Niuean banquet

We stayed in a nice resort with adjoining rooms overlooking the sea and most nights congregated in our room for a chat and a pre dinner scotch. Sarah and I got up very early one morning and went fishing on a local's charter boat. I had one enormous strike that didn't hook and later another smaller strike from which I landed a medium size barracuda. A fillet from one side was enough for the six of us to have cooked for lunch at the resort. The skipper took the other side as his share.

One of the interesting things we all did was to attend a Niuean feast dinner. It was held in a small rather shack like structure called Hio's looking out to sea. It was all local food and the highlight was coconut crab. Those we ate had been scuttling around the floor before being put in the pot. They live on coconuts and unsurprisingly taste like coconut.

We met a rather interesting character there a New Zealander who had been Lord Mayor of Wellington and who had tried politics for a while. Subsequently he had been asked to take on the job of New Zealand High Commissioner in Niue which he had been happy to do. After High Commissionership he had married a Niuean woman which made it possible for him to own land on the island. I had earlier asked the owner of the charter fishing boat which took Sarah and me out about land ownership. He simply said "You a marry it". Family land passes from generation to generation and this explains why there are so many rundown unoccupied buildings around the island. The generation occupying those particular buildings has gone away mostly to New Zealand and members of that generation or the next are able to come back any time and take possession of the land and

what sits on it. There is a Lands and Survey office on the island and we learned that it spends a good deal of time settling land disputes.

The former Wellington Lord Mayor was a big fish in a small pond as we observed it. He owned the aquaculture business that supplies most of the island's vegetables, two charter boat ventures, a small café, at which very good coffee was available, and held as a trustee for the people, ownership of the Matavai Resort where we stayed.

Niue has several brands of religion and people in general seem to be fairly good church goers. Ian's wife Glenn likes to go to church and Ian is happy to go with her. They went on the Sunday we were there. I asked Ian afterwards how they enjoyed it. He said it was all conducted in Niuean and he had no idea what was said. The strong attitude to religious beliefs raised a bit of an issue for the former High Commissioner. He wanted to open his cafe on Sunday and this was frowned upon and not going to be permitted. He put a proposal to the religious leaders that as coffee was his biggest seller he would not sell any coffee on Sundays if he could open for business that day and this was agreed.

We were in Niue for a week and were there for my 92nd birthday and we had a very small family celebration to mark the occasion. We flew back to Auckland on 19th March. Ian and Gwen, and Bryan and Janet went on to New Plymouth that day and Sarah and I overnighted in Auckland before returning to Sydney. It was a good get together but although Bryan put on a brave face it was inevitably a bit overshadowed by his failing health.

Four great train journeys

Darwin to Adelaide

In 2006 Colin and Loretta Henson, Sarah and I flew to Darwin to take a North South trip on the Ghan to Adelaide.

We spent the first day looking around Darwin and were surprised to see how much it had changed since we were last there a few years before. The next day we took a bus trip to Kathryn and spent quite some time walking along its famous gorge. Wonderful scenery and interesting tales about the need to check whether any salt water crocs had managed to get as far as the adjacent pools during the preceding wet. We didn't see any.

Next day we decided to do a day's fishing. We hired a fisherman who provided a boat and the necessary gear and he took us out to the Mary River to try our luck. He was a typical Territorian, somewhat laconic and with a strange habit of consuming copious cartons of coffee milk throughout the day during the course of which he spent a great deal of time telling us of the unfortunate divorce he had gone through and that his wife had taken nearly everything.

We fished, Sarah Colin and I, with Loretta in a kind of supervisory role. Six barramundi were landed, all of them caught by Sarah.

It was a lovely day and as we moved along the Mary River we were close to or even in amongst some pretty terrific lotus blossom. We went back to Darwin after an enjoyable outing and next day boarded the train.

The train journey was a truly memorable experience and we did it in style. We hired a whole carriage for the four of us. Each couple had an apartment with a shower, and we had a sitting room and a butler to make sure the



One of Sarah's barramundi

fridge was stocked with good wine. Our meals were all in the gold dining car and throughout the journey the food was excellent.

After leaving Darwin the first day stop was Katherine where the options were a walk along the gorge or a helicopter trip over it. Having done the ground inspection a few days before we opted for the helicopter ride which gave us a quite different perspective of the gorge. It is truly a mark on the ground. One quite sad note of our brief visit to Katherine was the sight of a number of Aboriginal women sitting on the median strip on the main street drinking booze from which they were obviously slightly the worse for wear.

Back on the train we were headed for the next stop at Alice Springs. I enjoyed the vastness of the area we were travelling through with its changing colours and different flora. We didn't see too much in the way of fauna some cattle and the odd

kangaroo. Coming into Alice Springs it was quite a shock to see how much plastic and other junk there was alongside the railway line.

Here the 'off train' option we chose was a quad bike ride in an adjoining property. We were collected from the train and taken out to it. We were told it was a cattle producers holding. We saw yards and some fencing but didn't see any stock. There was a rather clever entrance to the cattle yard. The cattle could enter but not get out once they were inside. So at mustering time or for any other purpose the animals could be driven or enticed in, we presumed, by food.

We each had our own vehicle and we were led by a farm employee along the track we needed to follow. Colin, in the lead of the four of us, set off at a fast pace and was soon way ahead. It was an enjoyable ride though a little disappointing at not seeing any stock.



Colin, Loretta, Sarah and me on quad bikes.

Afterwards we were driven back to the train and found that we were overdue, through no fault of ours, but were nevertheless embarrassed to find that the gates on the adjacent rail crossing had been closed and there was a long stream of vehicles waiting for the train to leave before they could cross. We tried to look as invisible as possible as we climbed back into our carriage.

We travelled on from there again through interesting countryside and at one point just after dark we passed through some scrubby fires which we presumed was a bush fire hazard reduction operation. The accommodation the food and the company were very enjoyable and we pulled into Adelaide three days after leaving Darwin.

While Sarah was attending a school reunion in Adelaide Colin, Loretta and I took the short flight across to Kangaroo Island. We spent two days there and had a good look

around. We met some interesting characters saw lots of koalas and had some quite close encounters with sea lions and seals. I learned on a subsequent visit which Sarah and I made, there are too many koalas on the island. While there we stayed overnight in a B&B where the husband of the couple running the business was a Frenchman who was an excellent cook. So we enjoyed good food but probably too much. Back in Adelaide we joined up with Sarah and all returned to Sydney

Christchurch to Picton, Greymouth, across the Southern Alps and back to Christchurch

Three years later in August 2009 we had pleasant experience in New Zealand when we travelled with our friends Colin and Loretta from Christchurch to Picton and beyond. We stopped at Kaikoura and went on a whale watching trip. It was highly organised in the

sense that a helicopter was used to spot the whales and direct the boat to the right spot. We saw some magnificent sperm whales which are huge creatures. The sea was a little lumpy and Colin was not as comfortable on the boat as the rest of us were. Nevertheless, it would be fair to say that we enjoyed the whale watching diversion. From Kaikoura northwards we travelled pretty much along the East coastline of the South Island and enjoyed the scenery which since then because of a significant earthquake has changed a good deal in the Kaikoura area.

In Picton we were due to get on a boat and travel around part of the Marlborough sounds. It was blowing quite a gale. Sarah was actually blown over and when we went to the wharf to say we were not prepared take the trip we were told they were waiting there to tell us they were not prepared to go out!

From Picton we hired a car and drove to Nelson and spent a pleasant day there. We all later agreed a two-day stop would've been better there than one. From Nelson we travelled by coach to Greymouth, a rather dreary city on the West Coast the South Island. We spent a day there and watched their Christmas parade from our hotel balcony. I have no cherished memory of it.

The next day we were back on a train crossing the Southern Alps often on rather scary high-level viaducts and witnessing glorious scenery. It's a train journey I would recommend to anyone. The crossing completed we were back on the east coast at Christchurch and then back home.

Cairns to Sydney

In 2014 Sarah and I travelled from Cairns to Sydney. The first part on Queensland Rail was excellent. The service and food between Cairns and Brisbane was first rate. We overnighed in Brisbane staying with Rod

and Karen. From Brisbane to Sydney however was a bit of a disappointment. The first leg as far as Grafton was in fact by coach as there was track work underway. From Grafton to Sydney the service and food deteriorated significantly. And apart from that, although we arrived at Hornsby on time the journey from there to Central took well over an hour. Had we known there were signalling problems we could have got on the city network at Hornsby and thence to North Sydney in much less than half the time. As I was still then on the new South Wales Transport Advisory board I thought it would be helpful if I recounted our experience to the Head of the Department and the Director of Sydney trains. I did and it was duly noted but I don't think a great deal of corrective action followed.

Perth to Sydney

In August 2015 about a year after Loretta died, Colin and a friend, Kerry, came with Sarah and me to Perth. We wanted to see some of the wildflowers before we joined the train and travelled on the Indian Pacific back to Sydney. We were a bit early for the wildflowers but took a trip out to see Wave Rock which is a remarkable formation.

We found it a pity though, that such a visitable spot had such run down, uncared for visitors' facilities. We were there for a day only but the restaurant and shop were very poor and the animals they had on show looked sad and uncared for.

An added excitement was that on the return journey to Perth the bus ran out of fuel! The driver managed to drift into a garage and filled it up with diesel but was unable to get it started again. I became aware then that once a diesel engine runs out of fuel it is a tricky operation to restart it. The driver however was able to contact a colleague from the bus company who came out and got us underway again.



Wave Rock

While we were in Perth we visited Kings Park where we saw some wildflowers. We also took a ferry trip to Fremantle and wandered around there.

We joined the Indian Pacific for the three-night journey back to Sydney. Each couple had a double bunk cabin with a shower closet. The food and friendly service on the train were top class. We stopped briefly at Kalgoorlie but it was after dark and there wasn't a lot to see. We also stopped at Cook which used to have a hospital and was a busy train fuelling stop years ago. The population now is less than 10. We got out there and stretched our legs and had the old hospital site pointed out to us. Coming across the Nullabor, despite its sort of sameness, I found quite interesting. We also stopped in Broken Hill and saw some of the muck heaps which have built up steadily since the early mining days. On the outskirts of Sydney we were slowed and occasionally

stopped, and were told this was a union thing. The train operators on the Sydney system did not take kindly to a privately operated train as the Indian Pacific is, and took some pleasure in slowing it down in a very cunning sort of way by stopping at every station whether it was the normal practice or not.

Sarah and I enjoy train trips and this was another very good one.

Section 7 Charities involvement

Over the years I have supported a number of good causes. Most have been in the medical research, education, and support of the genuinely "needy" areas.

In contrast was the Royal Botanic Gardens Trust where I was Chairman of the Trust from 1988 to 1992.

Royal Botanic Gardens Trust

There are three components of the Botanic Gardens. The original land adjacent to the harbour which was set aside by Governor Phillip in the late 1800s; Mount Tomah in the Blue Mountains, the only botanic garden in a World Heritage area; and Mount Annan south of Sydney. Tomah was opened in 1972 and Mount Annan in 1988 as part of the Bicentenary celebrations.

My initial appointment was by a Liberal government. The Minister at that time was Tim Moore and when the Government changed I was kept on as chairman. Trust meetings in those days had become a rather social event commencing around 2 pm and running on until around 6 pm. This seemed to me an excessive use of time so I changed the program to start at 4 pm and finish at 6 pm. We got done what needed to be done.

Towards the end of my time as Chairman we decided to develop a new gateway to the garden on the site of the existing buildings and extending part way over the Succulent Garden area. It would be a larger building with more teaching space to better discharge the garden's education role, generally for teenage students. I discussed this with then Premier Bob Carr at the time, and he expressed his strong support.

In order to fund the new gateway a Foundation was established of which I was a trustee from 1992 to 1999. A lot of money was raised as was in kind support including an offer of a significant contribution of ready-mix concrete from a construction company. The building was designed by a leading Sydney architect, Ken Wooley at no cost. All seemed to be going well. Then along came Milo Dunphy, a dyed in the wool Greeny, who convinced Bob Carr that the proposed new structure would alienate too much green space. Government support collapsed and without it the proposal had to be canned. I felt very bad about this having persuaded many people to support the Foundation's fund raising exercise.

It seemed to me to be proper to refund the contributions made for the specific purpose of building a new gateway to the gardens. I was told by many it would be impossible to take the money out of a Foundation and that this would be the view of lawyers. I sought legal guidance and on the basis of the advice I got it was decided to offer contributors the choice of having their contribution refunded or leaving it for use by the Gardens as the Trust saw fit. Most including me had their contributions refunded. It is a matter of some regret to me that the gateway proposal collapsed.

Visit of Lee Kuan Yew

Lee Kuan Yew made many visits to Australia during his Presidency of Singapore. On one visit I was asked at short notice, to escort him around the Sydney Gardens to fill in what had obviously rather suddenly become a blank spot in his program. I spent an interesting morning roaming around the gardens with him. Unsurprisingly he knew a great deal more about flora than I did but he was gracious in overlooking the fact that there were many species which I could not name. At the end of our time together he said he had enjoyed our wanderings. I was pleased to have the opportunity of quite lengthy contact with such an interesting man.

Opening of Mount Annan gardens

The Gardens were opened in 1988 by Andrew the Duke of York who was accompanied by the Duchess, 'Fergie'. It was a bright sunny but rather windy day. The Duchess was wearing a split skirt and the press photographers were alert to the possibilities. A big gust provided it and cameras and flashbulbs went off! There were many photographs in the media, TV and print, of 'Fergie' trying to hold her skirt down.

I found them to be an approachable and non-demanding couple who seemed genuinely interested in the large variety of native flora at Mount Annan - some 2000 species. There was a chatty afternoon tea with lots of informal and friendly contact between the Royals and the staff. I enjoyed the day.

Mount Tomah receives a Bicentennial grant

Government made a grant to these gardens as part of the bicentennial program. There was no particularly great handover ceremony but Bob Hawke attended to hand over the cheque. I don't think it provided a particularly good photo opportunity.

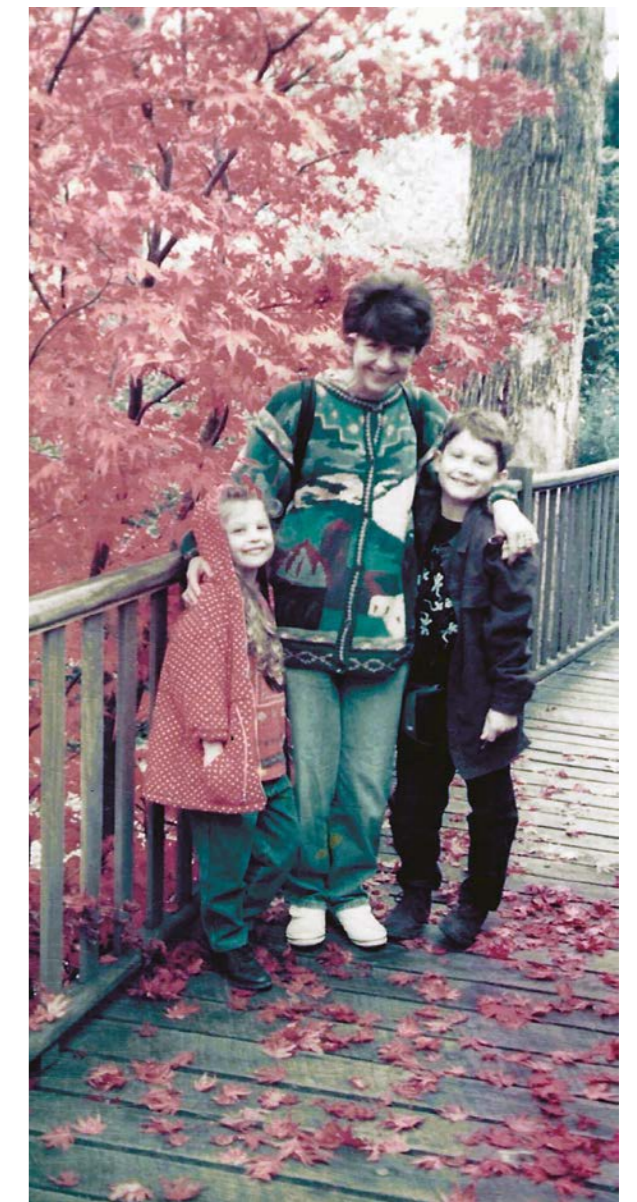
The Mount Tomah Gardens contain a range of species grown in many countries around the world in different soil conditions. The insitu soil and rocks at Mount Tomah are acidic and for the chosen flora to be grown in one area large quantities of limestone rock were brought in to provide the right non-acidic conditions.

There is a small restaurant and theatre and the view from the deck is outstanding. I have some good memories of Sarah, Hugh, Alice and me spending the best part of a day journeying to and wandering around Mount Tomah. There is a great photo Sarah standing with Hugh under one arm and Alice under the other next to a tree with leaves just turning colour.

I also remember a lunch I arranged for former BACA colleagues, Tony Hartnell, Laurie Willet and Sarah and me. It was a beautiful day to start with and we had only just laid the table with food and wine when there was a sudden and very heavy shower. We cleared the table under the trees pretty quickly and made a dash for the theatre but were drenched by the time we got there. We dried out had a few more glasses of wine (no one was driving, we had a hire-car and driver) and after a decent interval set off on the return journey to Sydney. Tony had rather over imbibed and we delivered him to the front door of his house somewhat the worse for wear! It was a great day nevertheless.

My difference of view with the NSW Auditor General

The financial accounts of the Botanic Gardens Trust were audited by the State Auditor General. In his view there should have been a value ascribed to the Sydney city land in the Trust's accounts. I disagreed with him on this. My argument was that the land, having been set aside by the powers in colonial times for the purpose of establishing the gardens, was not a liquid asset and therefore had no balance sheet value. We discussed this for a



Alice, Sarah and Hugh

time and he stuck to his view that there had to be a number in the balance sheet. Seeing his intransigence, I agreed to put a value in and I did, at \$1. He probably thought I was being a bit of a smart arse but didn't pursue the matter.

Breast cancer

For a period of five years in the early 1990s I took an active role in fund raising for breast cancer research.

I worked closely with Professor John Forbes an oncologist at Newcastle University. We did two quite memorable things. In collaboration with The Women's Weekly, we came up the idea of a Women's Health Diary. It was an easy-to-use diary with health hints for women throughout. The proceeds from the sale of the diary were totally for breast cancer research. Since it was established in the early 90s it has raised some \$13 million for that purpose. Even in today's digital age the Diary still sells.

The other thing we did to publicise the importance of funding breast cancer research was running an event in the Lyric Theatre at the Sydney Casino. John and I, and the executive director of Breast Cancer Research Australia, Julie Callahan, sat on the stage behind the curtain and in a symbolic way lifted the curtain on the importance of breast cancer research. We each made a brief comment. At that time John was convinced the day would come when breast cancer could be prevented. This hasn't turned out to be the case yet but a great deal of important research has been funded through those efforts and direct approaches to corporate leaders.

The Salvation Army

I served on the Salvation Army's Advisory Council for six years also in the 90s. I have the highest admiration for the officers who work in the Army and for the many Community supporters who work in such enterprises as the Salvo's Opportunity Shops. There was a problem with that operation at one stage. It arose through a combination of poor business skills of some involved in the operation and a suspicion of misappropriation of money. These had to be fixed and they were.

During the time I was involved with the Council I visited some of the facilities run by the Army to feed and accommodate homeless people and others, mostly women, fleeing from domestic violence. I met and talked with some of those being assisted. Those with whom I did speak couldn't speak highly enough about the efforts of the Salvos.

The Smith Family

I have also supported the Smith family by sponsoring students for a number of years.

I remember too a time when I went on a run delivering Smith Family Christmas hampers to poorer families in parts of Western Sydney. I thought it would be a good thing to take our children, Hugh and Alice, with me to see something of the lifestyle of those in poorer circumstances. The first place we called on provided a very good example. A rather heavysset untidy looking woman opened the door and said "Yeah what dah you you want?" When I explained it was a Christmas gift from the Smith Family she took a little time to believe there were no strings attached. All the time she was at the door a small rather unkempt girl was clinging to her skirt. I think Hugh and Alice have lasting memories of the rather tragic circumstances in which some families live and by comparison how good their own circumstances were.

Legacy

During this period, for five years I was on the New South Wales Legacy committee. This was primarily a fund raising exercise but there were other general administrative things on which the Committee provided advice. I met some very dedicated people involved with Legacy and kept in touch with some of them for a year or so after I left the committee.

Looking back over 70+ years

Looking back to the time of my graduation in Christchurch in April 1950 I could never have imagined then that I would spend almost my entire working life in Australia, that the call I made on impulse a few months after my graduation would lead to a 17-year career on the Snowy Mountains Scheme. It was Australia's largest engineering project. It was truly a nation-building scheme and I am proud to have been associated with it.

Nor could I have imagined at that time that what followed would be a career at senior level in the Commonwealth public service, Chairmanship of Australia's biggest bank and its largest construction Group or that I would serve for a time as Chairman of the Australian Research Council and as President of one of Australia's four Learned Academies, the Academy of Technological Sciences and Engineering.

It has been a highly satisfactory and enjoyable professional life. I have met some very interesting people had some wonderful experiences and a great deal of fun.

Appendix

The Snowy Scheme as built

The Authority was established by an Act of the Federal Parliament and began the task of developing the scheme in 1949. The last significant feature to be commissioned was Talbingo Dam and Tumut 3 Power Station. This was in 1973. In the nearly 25-year period, which was the original time estimate to build the project, what was achieved was the construction of:

- 16 dams;
- 12 tunnels with a combined length of 125 km
- 7 power stations, 2 of which are underground with a total installed capacity of 3740 MW;
- 2 pumping stations, Tumut 3 and Jindabyne.

These features form two trans-mountain systems the Snowy Tumut Development and the Snowy Murray development.

The Snowy Murray Development has an installed capacity of 1560 MW in the two Murray power stations. It provides an additional flow of 980,000 megalitres of water each year to the Murray River. An interesting feature of this development is the two-way flow Eucumbene Tunnel which connects the Snowy River with Eucumbene Dam. When the flows in the Snowy and Geehi Rivers exceed the needs of the Murray Power Stations water from the Snowy River at Island bend is diverted through this tunnel for storage in Lake Eucumbene. Low flows in the Snowy and Geehi Rivers are supplemented by drawing stored water from Lake Eucumbene back through the same tunnel to the trans mountain tunnel leading to the Murray power stations.

Additional water is supplied to the trans-mountain tunnel at Island Bend by the Jindabyne project which pumps from Lake Jindabyne which stores the run off from the Snowy catchment downstream from Island Bend.

The Snowy Tumut Development provides for the diversion of the Eucumbene, the upper Murrumbidgee and Tooma Rivers to the Tumut River and generates electricity in four power stations, Tumut 1, 2 and 3 and Blowering. The trans-mountain tunnel system has a 2-way Eucumbene Tumut Tunnel which connects Lake Eucumbene with Tumut Pond Reservoir. The normal function of the tunnel is to divert water through the Great Dividing Range from Lake Eucumbene to the Tumut River. But in periods of high flow in the Tumut and Tooma Rivers, water in excess of that required to operate the power stations in the Tumut Valley is diverted in reverse direction to storage in Lake Eucumbene.

The Snowy Tumut development has an installed capacity of 2180 MW in the three Tumut power stations and Guthega and Blowering power stations. It distributes 1,300,000 megalitres of water each year to the Murrumbidgee River.

As well as the major tunnel systems there is a network of aqueducts which pick up the flows from small streams and feeds these into the major tunnels.

The energy output of the Scheme is transmitted at 330kV to the electricity systems of NSW and Victoria. The authority provides the transmission lines to and between three major switching stations in the upper Tumut, the Murray and the lower Tumut regions. The Electricity Commissions of the States provide and operate transmission lines between the Snowy Scheme's switching stations and their own load centres. This connection made possible for the first time major exchanges of power between these States

Selected speeches

Ethics and avarice

THE COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LTD.

11 OCTOBER 1990

Mr. Besley's Address to 4th Annual Black Tie Dinner

ETHICS AND AVARICE: AM I MY BROTHER'S KEEPER?

THANK YOU FOR THE OPPORTUNITY OF SPEAKING TO YOU TONIGHT.

FIRSTLY MAY I SAY THAT DESPITE THE SOMEWHAT BIBLICAL RING TO THE TITLE OF MY ADDRESS, I AM NOT ABOUT TO DENOUNCE THE JOYS OF ANY OF THE DEADLY SINS, SO PLEASE CONTINUE TO ENJOY THIS WONDERFUL FOOD AND WINE!

* * * *

THERE IS A NEW BOOM IN BUSINESS COMMUNITIES AROUND THE WORLD: IT IS CALLED ETHICS. IT OFFERS BUSINESS LEADERS TWO THINGS:

1. A PANACEA FOR GLOBAL ECONOMIC WOES - LET'S TALK ABOUT BECOMING MORE ETHICAL IN OUR COMMERCIAL DEALINGS AND EVERYTHING WILL BE WELL AGAIN, AND

2. A SCAPEGOAT FOR THE EXCESSES OF THE PAST DECADE - IF ONLY OUR CORPORATE HIGHFLYERS HAD BEEN MORE ETHICAL THEN WE WOULD NOT BE FACING THE COMMERCIAL FALLOUT OF 1990.

2.

TO A DEGREE BOTH POINTS ARE VALID. SOME STANDARDS WERE ABSENT, SOME STANDARDS WERE QUESTIONABLE - IT IS EASY TO BE SELF-RIGHTEOUS WITH HINDSIGHT.

BUT I WONDER WHETHER THE CURRENT DIALOGUE ON ETHICS IS TRULY CONSTRUCTIVE OR MERELY A CAMOUFLAGE FOR OUR NATIONAL CONSCIENCE?

AND WHILE IT IS BUSINESS THAT IS NOW CONSTANTLY BEATING ITS COLLECTIVE BREAST ABOUT CODES OF ETHICS, SELF-REGULATION, BETTER BUSINESS CONDUCT, ETC. , THERE IS NOT A WHISPER FROM THE BROADER COMMUNITY: IT HAS ESCAPED ANY SCRUTINY OR, INDEED, ANY CULPABILITY OR COMPLICITY.

THE MEDIA, IN PARTICULAR, TURNED CORPORATE ENTREPRENEURS INTO FILM STARS. MANY PEOPLE WERE SEDUCED BY THE FANTASTIC AMOUNTS OF MONEY AND LIFESTYLE AND WANTED SOME FOR THEMSELVES. YET NO-ONE HAS SUGGESTED THEY WERE ACCESSORIES.

THE GREED OF THE SMALL INVESTOR WAS AS REAL AS THE GREED OF THE BIG PLAYERS. EVERYONE WANTED HIGH INTEREST RATES. THERE WAS NEVER MUCH THOUGHT GIVEN TO SECURITY OF INVESTMENT.

3.

I KNOW THAT CRITICS OF THAT VIEW CAN QUOTE NUMEROUS CASES OF YOUNG FAMILIES LOSING HARD-EARNED SAVINGS, PENSIONERS BEING SEDUCED BY INVESTMENT ADVISERS, ETC. ETC. THERE ARE ALWAYS GENUINE CASUALTIES. I ALSO CONCEDE THAT THERE WAS A LOT OF MISINFORMATION, OR LACK OF INFORMATION, BY MANY FINANCIAL INSTITUTIONS

BUT I WONDER IF MORE ACCURATE INFORMATION WOULD REALLY HAVE CURBED OUR GREEDY DESIRES? AUSTRALIANS HAVE ALWAYS LOVED THE IDEA OF MAKING A QUICK BUCK - ONE ONLY HAS TO LOOK BACK AS RECENTLY AS THE 1960'S WITH THE NICKEL BOOM AND THE SHARE FEVER THAT GRIPPED EVEN THE MOST PRUDENT. OUR HISTORY IS FULL OF BOOM AND BUST STORIES.

AT SOME POINT, HOWEVER, ONE HAS TO TAKE RESPONSIBILITY FOR ONE'S FINANCIAL DECISIONS - WHETHER THEY BE A \$2 BET ON THE RACES OR A \$200,000 INVESTMENT.

THERE MUST BE A BALANCE REACHED BY THE LAW, AND THERE MUST BE A LEVEL OF RESPONSIBILITY IMPOSED ON ALL ADULT PERSONS OF NORMAL MENTAL CAPACITY FOR THE CONSEQUENCES OF THEIR OWN ACTS. THE LAW MUST BE CONCERNED WITH CONSUMER PROTECTION, BUT IT MUST ALSO RECOGNISE CONSUMER RESPONSIBILITY.

4.

WHICH BRINGS ME NONE TOO SUBTLY TO MY THEME: AM I MY BROTHER'S KEEPER?

I BELIEVE THE ANSWER IS A QUALIFIED "NO".

THE QUALIFICATION BEING THAT SOCIETY MUST HAVE IN PLACE SUFFICIENT REGULATORY AND LEGAL STRUCTURES TO BOTH PROSECUTE AND PROTECT.

MORE IMPORTANTLY, SOCIETY MUST HAVE THE WILL TO UTILISE THEM TO MAXIMUM EFFECT. I THINK THIS IS THE FUNDAMENTAL QUESTION FACING AUSTRALIAN BUSINESS IN 1990.

IN COMMERCE, AS MUCH AS ANY OTHER AREA OF HUMAN ACTIVITY, FAIR AND WORKABLE RULES OF LAW MUST EXIST TO PROTECT THE RIGHTS OF THE VARIOUS PLAYERS - CONSUMERS, SUPPLIERS, RETAILERS, EMPLOYEES, DIRECTORS AND MANAGERS, ADVISERS, COMPETITORS, GOVERNMENT. THE RULE OF LAW MEANS THAT THE FREEDOM OF INDIVIDUALS IS PROTECTED BY A SET OF RULES WHICH APPLY EQUALLY TO ALL PERSONS, WITH NO CITIZEN BEING SUBJECTED TO ARBITRARY JUDGEMENT WITHOUT REFERENCE TO ESTABLISHED RULES, AND NO CITIZEN BEING ABOVE THE LAW.

5.

IN FACT, IT IS PROBABLY THE CONSUMER, OUT OF ALL THOSE PLAYERS, WHO HAS THE MOST PROTECTION. THE CONSUMER ALSO HAS THE SYMPATHY OF THE MEDIA FOR ADDED EMPHASIS - PARTICULARLY NOW WHEN THE STOCKS OF BUSINESS ARE PRETTY LOW - SO TO SPEAK!

BUT THE LAW SHOULD NOT BE A SUBSTITUTE FOR ONE'S INDIVIDUAL ACTIONS AND THE RESULTANT RAMIFICATIONS OF THOSE DECISIONS.

THERE IS A VIEW THAT PERSONS WHO BORROW TOO MUCH AND OVERCOMMIT THEMSELVES ARE, NEVERTHELESS, ENTITLED TO BLAME THEIR PREDICAMENT ON THE LENDERS. I HAVE HEARD THOSE SENTIMENTS EXPRESSED AT ALL LEVELS FROM LARGE CORPORATE COLLAPSES CAUSED THROUGH EXCESSIVE DEBT, TO FAMILIES WHO HAVE BECOME OVERCOMMITTED ON CREDIT CARDS.

LET ME QUOTE FROM A RECENT JUDGEMENT IN THE NEW SOUTH WALES SUPREME COURT BY MR. JUSTICE COLE IN THE CASE RALIK PTY. LIMITED VS. COMMONWEALTH BANK OF AUSTRALIA:

6.

"I SEE NO REASON WHY A BANK OR A FINANCE BROKER, EACH WITH ITS OWN COMMERCIAL INTERESTS, SHOULD BE OBLIGED TO NURSEMAID A COMPANY, THE PRINCIPALS OF WHICH HAD SUCCESSFULLY ENGAGED OVER AN EXTENSIVE PERIOD IN FARMING, PROPERTY DEVELOPMENT AND OTHER BUSINESS ACTIVITIES, AND WHICH WAS INDEPENDENTLY AND APPARENTLY COMPETENTLY ADVISED BY EXPERIENCED ACCOUNTANTS AND SOLICITORS, UNLESS THERE WAS SOME COMMERCIAL OR STATUTORY OBLIGATION TO DO SO.

IN COMMERCIAL TRANSACTIONS OF SIGNIFICANT DIMENSION OR AMOUNT BETWEEN PARTIES OF APPARENT SUBSTANCE AND COMPETENCE, THERE IS NOT IN MY VIEW, A COMMON LAW OBLIGATION IN ONE TO CARE FOR THE INTERESTS OF THE OTHER, OR TO SATISFY ITSELF AS TO THE UNDERSTANDING HELD BY THE OTHER COMMERCIAL PARTY OF RISKS ASSOCIATED WITH THE PROPOSED TRANSACTION.

....."

CLEARLY AS CHAIRMAN OF THE BANK I WAS HAPPY TO SUPPORT HIS VIEW - PARTICULARLY AS IT IS DEPOSITERS' MONEY WHICH IS LENT TO THE BORROWER!

BUT, EQUALLY, I BELIEVE IT OUGHT TO BE THE WAY OF THE FUTURE: IF ONE TAKES FINANCIAL RISKS - NO MATTER HOW SMALL - THEN ONE MUST TAKE FINANCIAL REPERCUSSIONS AND NOT RUN TO THE NEAREST PROTECTIVE SKIRT.

7.

IT WOULD BE A SIGN OF A WEAK SOCIETY, AND AN ABUSE OF THE RULE OF LAW, IF PEOPLE COULD GET RELIEF FROM THEIR RESPONSIBILITIES MERELY BECAUSE THE LENDER HAS THE GREATEST CAPACITY TO BEAR THE LOSS.

NOR SHOULD WE INDULGE THIS NEW SPORT OF POINTING THE FINGER AT THE "CORPORATE BADDIES" AND BLAMING OTHERS FOR OUR TRANSGRESSIONS. IT IS NOW FASHIONABLE TO ACCUSE GOVERNMENTS, STATUTORY AUTHORITIES, MAJOR ACCOUNTING AND AUDIT FIRMS, FINANCIAL INSTITUTIONS, INDIVIDUAL DIRECTORS - EVEN OUTSIDE CONSULTANTS - FOR THINGS GOING WRONG.

OBVIOUSLY, WHERE THERE ARE CLEAR CASES OF ILLEGALITY, WE SHOULD ALL WORK TOWARDS PROSECUTION OR RECOVERY. BUT I QUESTION THE VALUE OF SHIFTING THE BLAME AND STALLING: IT REALLY IS ALMOST A QUESTION OF "FIDDLING" WHILE ROME BURNS.

(PERHAPS I COULD HAVE CHOSEN A LESS EVOCATIVE ADJECTIVE!)

WE NEED A FRESH MIND-SET - A DETERMINATION TO RESTORE OUR NATIONAL AND INTERNATIONAL STANDING. IT WILL NOT HAPPEN QUICKLY, OR EASILY.

8.

AUSTRALIA IS STILL SHELL-SHOCKED. WE HAVE JUST WITNESSED UNPRECEDENTED LOSSES FROM THE PROFLIGACY AND GREED OF SOME.

BUT OVER-REACTION - OR WORSE, KNEE-JERK OVER-REGULATION - IS NOT THE ANSWER.

THE FACT IS WE ALREADY HAVE AN ESTABLISHED SYSTEM WHICH HAS SERVED US WELL. EXISTING LAW PROVIDES REGULATORS WITH THE POWER TO INVESTIGATE, ACCESS DOCUMENTS, ASK QUESTIONS, HOLD HEARINGS, CONDUCT S.541 EXAMINATIONS, THE POWER TO DECLARE CONDUCT UNACCEPTABLE, THE POWER TO SUE IN CIVIL COURTS, THE POWER TO PROSECUTE, ETC.

WE CAN ALSO HAVE THE LAWS TO SERVE US WELL IN THE FUTURE: WE ARE CONSTANTLY REFORMING OUR LAWS TO TAKE ACCOUNT OF CHANGING NEEDS.

ALL WE NEED IS THE WILL TO MAKE SURE THEY ARE ENFORCED EFFECTIVELY.

AFTER THE SO-CALLED "BOTTOM OF THE HARBOUR" RORTS OF THE EIGHTIES, THE TAXATION REGULATORS AND ENFORCERS DID A TERRIFIC JOB. THE TAX COMMISSIONER HAD COMPLEX LAWS TO DEAL WITH, BUT HE SUCCEEDED IN PUTTING PEOPLE IN PRISON - NOT MANY, BUT ENOUGH TO MAKE THE POINT.

9.

SO, TOO, THE AUSTRALIAN STOCK EXCHANGE HAS MADE SOME SWEEPING CHANGES AND IS NOW PLAYING A MORE ACTIVE AND AGGRESSIVE ROLE IN ITS SURVEILLANCE AND REGULATION.

DESPITE THESE PLAUDITS, HOWEVER, I DO HAVE A MAJOR CONCERN. THE CURRENT OBSESSION WITH BECOMING "CORPORATE GOODIES" COULD STIFLE INITIATIVE AND LEGITIMATE ENTREPRENEURIAL FLAIR AT A TIME WHEN WE NEED IT MOST. WE HAVE A GIGANTIC DEFICIT, UNACCEPTABLE INFLATION AND UNEMPLOYMENT LEVELS, AN AGEING POPULATION AND A STANDARD OF LIVING OUT OF STEP WITH OUR ECONOMIC REALITY.

AUSTRALIA NEEDS LARGE DOSES OF CONFIDENCE IF IT IS TO BECOME MORE PRODUCTIVE AND, THUS, GLOBALLY COMPETITIVE. THAT WILL ONLY HAPPEN WHEN WE SEE THE NEXT GENERATION OF ENTREPRENEURS WHO CAN OPERATE FREELY AND WITHOUT STIGMA.

AND I BELIEVE IT IS OUR COLLECTIVE TASK TO ENCOURAGE SUCH INITIATIVES - NOT WALLOW IN THE WAKE OF HISTORY, OR WEIGH IT DOWN WITH NEEDLESS REGULATION.

10.

I MENTIONED EARLIER THAT ETHICS WERE THE FLAVOUR OF THE MONTH. AND BUSINESS SHOULD KEEP A PHILOSOPHICAL "WEATHER EYE" ON ITS STANDARDS. BUT ETHICS REALLY TRANSLATE INTO DOING WHAT IS PROPER AS OPPOSED TO WHAT IS IMPROPER. EVEN SECTION 229 - THE PROVISION DEALING WITH DIRECTORS' DUTIES, TALKS ABOUT DIRECTORS ACTING HONESTLY AND REASONABLY.

THE EXTENSION OF THAT IS TO DO WHAT IS LEGAL AS OPPOSED TO WHAT IS ILLEGAL. ONCE THE LINE HAS BEEN CROSSED IT GOES INTO THE PROVINCE OF EXISTING LEGISLATION, LAW AND REGULATION.

UNLESS THIS HAPPENS, OUR MAJOR FOCUS SHOULD BE ON MAKING OUR SYSTEMS WORK - ENFORCEMENT SHOULD BE AS STRONG A MESSAGE AS ETHICS.

IF THERE IS A WILL ON THE PART OF GOVERNMENT, BUSINESS AND THE GENERAL COMMUNITY TO ENSURE THAT THE "RULES" ALREADY IN PLACE ARE ENFORCED EFFECTIVELY, THEN WE WILL QUICKLY SEPARATE THE GOOD ENTREPRENEUR FROM THE BAD AND BREAK DOWN THE BUCCANEER IMAGE OF AUSTRALIAN BUSINESS PEOPLE. A LOT OF PEOPLE STILL SUBSCRIBE TO THE OFT-QUOTED LINE OF THE AMERICAN POLITICIAN, ANDREW YOUNG: "NOTHING IS ILLEGAL IF 100 BUSINESSMEN DECIDE TO DO IT"

11.

SO LET'S LOOK AT WHAT WE CAN DO TO CHANGE THE PERCEPTION, WITHOUT SMOTHERING REAL ENDEAVOUR.

THE FIRST AND MOST OBVIOUS WAY OF DISPELLING SUCH CYNICISM IS THROUGH THE NEW AUSTRALIAN SECURITIES COMMISSION. THE NCSC AND HENRY BOSCH HAVE BEEN CRITICISED, ANALYSED, OR JUSTIFIED AD NAUSEUM.

BUT AUSTRALIA HAS NEVER BEEN GOOD ON REGULATION OR PROSECUTION - JUST LOOK AT THE BARTONS, VIP INSURANCES, NUGAN HAND, ETC. IT EVEN TOOK US SOME FIVE YEARS TO PROSECUTE THE COMPUTICKET DIRECTORS WHEN THE COMPANY HAD ONLY BEEN IN EXISTENCE FOR ABOUT SIX MONTHS!

WHAT WE HAVE NOW WITH THE ASC IS A CLEAN SLATE, A BIGGER BUDGET, AND - MORE IMPORTANTLY - AN OPPORTUNITY TO SET THE TONE.

HOPEFULLY, TOO, THE MERGING OF STATE CORPORATE AFFAIRS COMMISSIONS INTO THE ASC SHOULD PREVENT THE OLD FEDERAL/STATE RIVALRIES REARING THEIR UGLY HEADS.

12.

REMEMBER IN THE FIVE YEARS TO 1990 THE NCSC REFERRED MORE THAN 20 MATTERS TO THE STATE CAC'S WHICH THE COMMISSION BELIEVED "OUGHT TO HAVE BEEN PROSECUTED", AND NO COURT ACTION WAS TAKEN BY THE STATES - EITHER THROUGH LACK OF FINANCE, LACK OF POLITICAL WILL - OR BOTH.

AS JOHN GREEN, OF FREEHILLS, PUT IT:

"NO-ONE TOOK CHARGE OF CORPORATE AUSTRALIA.

NEITHER THE POLITICIANS NOR THE REGULATORS. WE DIVIDED UP AUSTRALIA WITH SEPARATE SHERIFFS FOR EACH ZONE ALL ANSWERABLE TO DIFFERENT MAYORS. A PRESCRIPTION FOR DISASTER. AND WE GOT IT."

TONY HARTNELL NOW HAS THE OPPORTUNITY - AND THE SUPPORT IF WE ARE TO BELIEVE THE RHETORIC OF POLITICIANS AND BUSINESS PEOPLE - TO RESTORE AUSTRALIA'S COMMERCIAL REPUTATION. OR AT LEAST MAKE A START.

THE NEW AUSTRALIAN SECURITIES COMMISSION OFFERS US THE CHANCE TO WATCH - AND CATCH - THE BADDIES, AND - MORE IMPORTANTLY - PROTECT AND SUPPORT THE GENUINE ENTREPRENEUR.

13.

AUSTRALIA WILL NOT HAVE A HOPE IN HELL UNLESS WE ACTIVELY GET OUT THERE AND HUSTLE. WE NEED FLAIR, COURAGE, BRAINS, AND DETERMINATION IN OUR NEW BREED OF ENTREPRENEUR.

WE NEED TO FEEL THE SAME SENSE OF EXCITEMENT THAT WE HAD WHEN THE FALLEN FIRST CAME ON THE SCENE - ONLY FIVE YEARS AGO WE REVERED MANY THAT WE NOW REVILE.

AUSTRALIA DESPERATELY NEEDS TO FEEL PROUD OF ITS BUSINESS PEOPLE, BECAUSE IT HAS A FLOW-ON EFFECT ON THE REST OF THE COMMUNITY: IT IS CALLED CONSUMER-CONFIDENCE. AND WITHOUT IT THE 21ST CENTURY LOOKS PRETTY BLEAK.

BUT MORE IMPORTANTLY, WE SHOULD REALLY STRIVE TO MAKE THE SYSTEM WORK FOR THE RE-ESTABLISHMENT OF THE ENTREPRENEUR.

THERE IS AN OLD 19TH CENTURY SCOTTISH PROVERB:

"THREE FAILURES AND A FIRE MAKE A SCOTSMAN'S FORTUNE"

14.

AUSTRALIAN ENTREPRENEURS HAVE HAD THEIR FAILURES AND FIRES BUT WE SHOULD UNDERSTAND THAT WE NEED THEM FOR OUR NEXT FORTUNE.

THANK YOU.

THE UNIVERSITY OF
NEW SOUTH WALES



SCIENCE, TECHNOLOGY AND INNOVATION

UNIVERSITY COLLEGE LECTURE
20 MAY 1998

M.A. (TIM) BESLEY, AO,
President Australian Academy of
Technological Sciences and Engineering

AUSTRALIAN DEFENCE
FORCE ACADEMY



Thank you for giving me the opportunity to make some comments about the place of science, technology and innovation in today's world.

The relative prosperity, high standard of living and comfortable lifestyle we all enjoy has largely come about through the application of innovation.

Innovation along with science and technology drive economic growth and help us to compete more successfully in the global marketplace.

Governments are convinced that innovation is good for national economic health. Innovative enterprises which develop new goods and services are able to compete more effectively in world markets and create employment opportunities.

WHAT IS INNOVATION?

Innovation in technology is a blend of the scientific and commercial worlds. Innovation is broader than science and technology.

Success in today's world depends on bringing the scientific and commercial worlds together.

Innovation often draws on the stock of intellectual capital that was reserved when its utility or application was unknown.

The long time horizon between basic research and application means that, in practice, it is not possible to guide basic research. The wisest policy seems to be that the Government should support this type of activity and rely upon peer assessment to maintain the quality. While this system for funding basic research has its critics, no one has yet come up with a better system. In terms of funding basic research in the hope of reaping a longer term return, it must be realised that small economies are generally in a far worse position to develop discoveries than large economies. In many areas the development costs and access to markets may exceed the resources of any local firm or even the state.

The situation is very different when it comes to research, development and innovation with definite aims and objectives. Here we are on a sounder footing and I wish to devote much of the remainder of this talk to those areas.

The attitude of the general population in Australia in recent years towards science and technology is one of ambivalence. While rapidly embracing new high tech appliances and enjoying the advantages of affluence, the population is suspicious of science and technology which it blames, along with large corporations, for ruining the environment, creating dangerous weapons and playing into the hands of those who might oppress us.

This is an important issue and it confuses and obscures some of the basic problems of our society. It is almost impossible to have a rational public debate on the place of nuclear power in our increasingly crowded and energy hungry world or the need for increased agricultural production by the use of appropriate chemicals or genetically modified plants to enable us to have any chance of feeding the world's billions in the next century.

AUSTRALIA'S INNOVATION RECORD AND POTENTIAL

It is often said, but seldom proved, that Australia is good at invention but poor at commercialising these inventions into innovative products. It is difficult for an intelligent population to accept that its contribution to global economic innovation is disproportionately small. Indeed failure to see local ideas exploited has led some scientists to prefer basic research, irrespective of practical outcomes. What is required is a realistic assessment of the constraints of access to local and international markets, transport and available risk capital and how these constraints can be overcome or avoided.

Australia's historically high standard of living still depends, in large part, on utilising the rich endowments of our primary industries. For a relatively developed country with the population we

have, there are almost no Australian manufacturing companies with a world wide profile such as Volvo, Ericsson (Sweden), Nestle (Switzerland), Philips, Shell (Holland), Nokia (Finland).

Each of these four countries have populations smaller than our own. In this context "nations" must not be confused with "markets". Small nations of Europe have benefited from access to their large neighbours - in effect they have been embedded in larger markets.

Reduction of tariff protection levels, the revolution in world wide communications, the advent of relatively cheap container and air transport coupled with the globalisation of virtually everything related to trade has changed much of that. Australia is in good shape with respect to its investment in basic science and its stock of intellectual capital, but our innovation system is poorly developed.

Innovation is the end result of many factors including imported technology, local research and development, a culture that welcomes and exploits new ideas and one which possesses the willingness and ability to finance new ideas. In practical terms there is much more information available on the levels of R&D, both absolute and comparative, than on any other measures so it is convenient to use R&D performance as a indicator of innovation.

If Australian expenditure on R&D is compared with other OECD countries, it is clear that Australian spending on Government funded R&D ranks well. But business R&D lies below those nations with which we like to compare ourselves. The reasons for this are complex but one major factor lies in the relatively mature nature of Australian industry which, even in other OECD countries, are low R&D spenders. However, it is important to note that spending by Australian industries on R&D remains low even when weighted to account for our industry structure¹ Another significant factor lies in the protection

¹ "Key Issues in Australian Science, Technology and Engineering" Prime Minister's Science and Engineering Council, 13 September 1996.

which shielded many Australian industries from the harsh winds of international competition for so long.

WHAT ARE REALISTIC GOALS FOR AUSTRALIAN INNOVATION?

There is a view of innovation which is often referred to as the "linear" model. In this model innovation is considered to start with a discovery in basic research, proceed through applied research into development and thence into marketing. It is doubtless possible to find examples of this type of development, but it has very real limitations as a general description of the real world of innovation.

The real world is much more complex and chaotic with multiple feedback and feed forward of ideas at all points with industrial research often providing inspiration for more basic studies. While the linear model has long been discarded - by scientists as well as economists - its legacy lingers on. Basis innovation catches the eye and is given more credit than incremental - targeted - innovation. Yet the latter provides, in total, more wealth in both large and small economies.

Much of the Government emphasis in its program for the support of business R&D is on "high risk" projects with the implied assumption that these will prove to be of most value to the enterprise or community and that business requires no incentive to undertake incremental research. Both of those assumptions are far from proven.

The vast majority of technology employed in Australia is imported. As a nation we carry out about 1% of the world's R&D. Even if we have a very innovative culture, we will be unable to develop more than a very small part of the technology we need to run a modern state. Much Australian innovation will be of adaptation and of adding value to technology developed by others overseas. Even before the explosion of communications technology, it made good sense for Australians to become involved with others around the globe in joint developments. It has now become much more important to forge such alliances and we must become much better

in managing this new way of doing things to ensure that we retain an advantage for ourselves.

Adaptation of overseas technology need not be a minor matter. John Lysaght Australia (later merged with BHP) gained a license to exploit a new zinc-aluminium coating developed by Bethlehem Steel Corporation in the USA. The Australian company was able to add value to the invention and with its guidance the new improved product assumed a dominant position in the Australian market for roofing steel. By combining this innovation with their existing world class expertise on roll forming they were able to implement an export strategy in many countries in the region. Completing the circle they bought all rights to the invention from the original investor. This is one example of an invention in another country being exploited in Australia by entrepreneurial Australians.

There is undoubtedly a place for radical innovation within the Australian business community. When radical discoveries occur in fields within the development capacity of local industry they can give rise to new enterprises as in the case of the "bionic ear". Every effort must be made to create the climate in which such breakthrough innovations may take place but it must be realised that they are rare, require special circumstances, persistence and large private or government assistance or large markets to fund the development stages.

We must develop a mature understanding of our capabilities and limitations - neither overstating the former nor understating the latter. For example, it is unlikely that Australia has either the financial or technical capability (and certainly not the will) to develop a new fighter aircraft.

On the other hand it clearly has the capacity and the need to develop LADS - a laser airborne depth sounder or NULKA - a hovering rocket decoy. The trick is to ensure that the innovations we can successfully carry out, represent worlds best practice. In addition, they should maintain globally competitive technical competencies that are deemed to be of enduring national value. This can often be

done through what, in defence circles, is called dual use technologies - cutting edge technologies that are equally valuable in the civilian as in the defence environment. Such innovations, through the generation of new exports and contribution to import replacement, will assist in the purchase offshore of those technologies we can not develop alone. This is not all bad. By concentrating our effort in defence innovation, development and manufacture on those areas in which we can reasonably expect to be world class, we can ensure that the Australian Defence Force has available to it the best technology.

Similar considerations apply to industry. In the machine tool field, for example, we have some specialist manufacturers who are clearly aware of their capabilities and targets and are well ahead of their world competitors.

In summary, Australia can not be world class in all areas and it is necessary to be selective. This is much more easily said than done:

THE ROLE OF GOVERNMENT

Government has a major role in supporting basic research. It is also widely accepted that it should not direct it. It is not so readily acknowledged that governments also have a role in the support of applied research. The reason for this is that the benefits of research and development and also innovation are not confined to the firm but are spread throughout the community. This was acknowledged by the Industry Commission in its Report on Research and Development in which it says:

*"the fundamental rationale for government intervention remains the "public good" characteristics of knowledge creation - its lack of appropriability and wide applicability - enabling spillovers to society from private investments in R&D"*²

² Industry Commission, "Research and Development", Report No 44, Australian Government Printing Service, 15 May 1995, p10.

There is a minority view which seems to be held by some financial commentators and even some parts of the bureaucracy that it is only necessary for the underlying infrastructure of the economy to be optimised and research and development and innovation will flourish. This is analogous to a farmer ploughing and fertilising his fields and waiting to see what comes up! The question to be debated is not whether Australian Governments have a role in this matter but the nature and extent of that role.

Recent reports seeking to advise the Government in this role include the Stocker Report "Priority Matters"³, the Mortimer Report "Going for Growth"⁴ and the Goldsworthy Report on the Information Technology Industry⁵ to mention only the most recently publicised.

The Industry Commission report points out that there are three approaches to government intervention in R&D:

"creating and strengthening markets - through intellectual property rights, or facilitating collective industry research arrangements providing various forms of financial support to private firms doing R&D, and sponsoring or undertaking research within the public sector - in universities, government departments and research agencies."

Australian Governments have adopted a mix of all of the above and it is useful to visit each in turn.

The largest and most successful recent initiative of the first type is the Cooperative Research Centres (CRC) Program which stemmed from ideas proposed by Professor Ralph Slatyer. There are now 67 CRCs set up throughout the country. Under this scheme, universities, government research agencies and private firms are encouraged to combine to carry out well defined R&D in areas which are either clearly in the

³ Stocker Report

⁴ Mortimer Report

⁵ Goldsworthy report

public good or have good prospects for commercialisation. The government provides funding of approximately \$140 million per annum. The partners are expected to at least match this by the provision of funding in cash or in-kind. The scheme has been successful in attracting industrial partners in addition to the universities and government agencies. Over 200 companies are now involved contributing 20% of the schemes total funding. The Cooperative Research Centres Program was reviewed favourably in 1995⁶, only 4 years after the first CRCs were approved.

Despite the long lead times inherent in new developments, the scheme has started to record examples of successful commercialisation. This is no surprise to those in private industry or to the Industry Commission which noted:

"returns to individual projects and firms undertaking R&D vary greatly but often exceed the returns on investments in machinery and equipment"

Most reviews of the CRC program concentrate, not surprisingly, on the tangible outcomes from the funds invested by the Government in the program. It must not be forgotten, however, that one of the objectives of the scheme was to change the culture of University and business research and to bring them closer together. There is now anecdotal evidence that this is occurring on a considerable scale. One of the roles of the CRCs is to train higher degree students. Many of the CRCs now report that their higher degree graduates are in considerable demand by industry for their combination of scientific and engineering expertise, and a good grasp of commercial realities and opportunities. Some CRCs report difficulties in holding onto their students to carry out their program in the face of tempting offers from industry. Thus, one of the crucial links in the innovation chain is being forged.

⁶ Myer Report

It is pleasing to note that in a recent press release⁷ the Minister for Industry, Science and Tourism, the Hon John Moore, praised the CRC scheme and stated that the 1998 Program Selection Round would proceed and that Commonwealth funding of \$138 million would continue.

The provision of assistance to private firms carrying out their own R&D has been the subject of some controversy in recent years. To stimulate business R&D some years ago the then Government introduced a scheme permitting business to deduct 150% of their expenditure on R&D from their earnings before tax. The scheme got off to a slow start but there is little doubt that the concession encouraged a very significant rise in business expenditure on R&D. Most observers agreed that the scheme had achieved its principal objective of raising the level of business R&D spending in Australia.

Supporters of the scheme (and ATSE is one) claim the following advantages for it:

- it permits the management of the individual business enterprise to choose the projects for its R&D and the risk level appropriate to the dynamics of the business and the consequences of success.
- it is transparent and relatively easy to administer
- it works.

Critics of the scheme claim the following disadvantages for it:

- it is of value only to those firms which have a revenue stream and a tax liability
- the total cost of the scheme (in terms of tax revenue foregone) is difficult to predict.

In the latter years of the previous Government, changes were introduced to the scheme to permit "syndication", where it was possible for entrepreneurial firms to assemble groups of investors to fund particular research and development programs. Syndication gained a bad name

⁷ Press release "Government Strengthens Support for CRCs" 13 April 1998

when it became apparent that many investors were able to offset tax liabilities in other activities by the R&D tax concession, and that there was a considerable, unintended, trading in tax losses. When the present Government came to power it moved quickly to remove the concession from syndicates set up in this way. This move was understandable but unfortunate as there were some valuable attributes to syndication. It certainly helped to fund R&D programmes which would otherwise have remained unfunded. It also had the advantage of bringing together the finance and R&D sectors in a situation where it was possible to change the culture of both through greater mutual understanding.. Unfortunately, this encouraging development was lost when the scheme was abandoned.

Another regrettable action of the new Government was to reduce the R&D taxation concession to 12.5% and tighten the eligibility criteria. These twin actions have greatly reduced the value of the concession to business and may well have placed in jeopardy the recent gains in stimulating business R&D. The reduction has been partly offset by the introduction of some new schemes designed to provide start up finance to new enterprises based on competitive applications by business. The START program is one such scheme although it is too early to be able to tell if it will achieve its worthwhile objectives. One of the problems of the START program is that it takes the responsibility for choosing the programs to be funded away from the people who understand the business (ie the management of the enterprise) and places it before government appointed committees and the bureaucracy, who, by and large, cannot possibly have such an intimate knowledge of the business. The jury will still be out for some time on these new schemes. By the time we know the answer, it may be too late to change.

In the third area of potential government influence - sponsoring or undertaking research within the public sector - changes are taking place as well. Governments fund not only basic research but much applied R&D which is either in the public good or relates to their own operations and

responsibilities (eg agriculture in the case of the States, defence in the case of the Commonwealth).

Much of our intellectual capital for the future resides in universities but they have been subject to rapid expansion and change in the past decade. Infrastructure funding has not kept pace with the overall increase in student numbers of the universities.

The situation with University libraries is a case in point.⁸ Access to library facilities which are comprehensive and well maintained is a basic need for all scientific and technological research. Yet most of them are, at best, in a holding situation while many have been contracting for years in the face of reducing budgets and escalating costs of serial subscription, specialist monographs and information systems. Australia has benefited for many years from the essentially free availability of research information derived in other countries and made available at low cost in Journals. There are indications that this situation is coming to a close with the major economies of the world demanding a better return on the cost of generating the research results and this is reflected in some remarkable escalation in the costs of periodical subscriptions.

There is a close parallel in the defence area. In previous years, Australian defence industries had intellectual property available to them from R&D carried out in Australian Government Establishments together with access under various defence cooperation agreements with Australia's principal allies, to technology developed by major overseas economies at no, or negligible, cost. The changed world political situation now greatly restricts the access of Australian companies to overseas defence technology which is now available only on a strictly commercial basis.

The funding of the means for maintaining Australia's stock of intellectual capital should be a first priority for any government. The Academy of Technological Sciences and Engineering

⁸ Janet McCalman, *The Age*, 8 April 1998, p 17

strongly supports the maintenance and increase of funding for the Universities, CSIRO and other government research agencies.

Science also has a vital role to play in helping us to better understand, and manage, our interactions with the natural systems of the planet. Governments must invest in the long term study of the characteristics and behaviour of our unique natural environment - our weather and climate, our biodiversity, our limited supplies of fresh water and our surrounding oceans. Governments must maintain their investment in these areas of unique Australian public government science. Because only this will ensure we can maintain continued access to the body of science and technology that we will need in future for essential public services such as fire, cyclone and flood warnings and early warning of the potential impacts of prolonged drought and global warming.

Great changes have also been occurring in the area of R&D carried out by many of the former state government utilities which are in the process of being corporatised or privatised.

The House of Representatives is currently carrying out an inquiry in this area⁹. In its own submission to that review, the Academy noted that in the electricity generation area, the level of spending on R&D may well have increased but the nature of the work has changed dramatically with a notable swing towards more sharply defined, management driven shorter term studies. These changes are broadly in line with the long established nature of R&D in private industry and are in general welcome. They do, however, run the risk of neglecting the long term replenishment of intellectual capital for the industry sector concerned. Other mechanisms must be found to do this.

We must be vigilant too about erecting unnecessary barriers to innovation. No one would deny that there needs to be protection

⁹ Inquiry into the Effects of Public Policy Reform on Research and Development in the Past Decade

for consumers from uncaring or incompetent manufacturers. Additionally, there is a need for directors of public companies to be exposed to the consequences of their actions and for consultants to exercise due diligence in their provision of advice. However, it must be realised that it is not possible to eliminate all risk by passing laws. Some of the consumer protection legislation, plus that relating to director's and consultant's liabilities, does run the risk of inhibiting experimentation and innovation.

It needs to be realised by the law makers as well as by the legal profession, that the issues are not black and white and a balance is required. It is a matter of judgement whether the balance pointer in Australia is in the middle of the scale or at one end or the other.

FINAL MESSAGE

Innovation is the end result of a process that involves many skills - it involves science and technology but is much broader and requires many more skills than either of these. The role of government is to create the right conditions for it to flourish, to remove as many of the impediments as possible, to provide encouragement and to organise conditions so that successful innovation is rewarded. Innovation is as much a state of mind - as it is a process.

In respect of Defence, a culture of innovation must be promoted. Support for new initiatives and innovative approaches is vital to maintain optimum capability. We have had a purchasing power advantage to help ensure that the capabilities of the Defence Force match or are superior to those of potential adversaries. That advantage is becoming a thing of the past. We need more and more to show an increased capability in adapting technology to our needs. The Defence Force necessarily has a high dependence on technology and has an important role in contributing to its development.

I said at the start that Australia cannot afford to try to be good in all fields and that it would be best to concentrate on those areas

where we can excel. Private enterprise spends a very large amount of time and effort deciding where to put its capital and effort and the same should be true of nations. Most people will readily agree with this premise but we run into trouble when we try to specify which areas to concentrate upon and which to neglect. Everyone has a well thought out set of priorities but the trouble is that they are all different. Most people are convinced that they do not want the Government to become involved in "picking winners".

In reality we would all like the Government to be able to pick winners but, based on past experience, we feel that they are not very good at it at the tactical (or enterprise) level. It is our role to encourage and assist the Government to become very good at the strategic level of choosing those areas in which to encourage much of the nation's innovative effort.

A possible mechanism for reaching some form of national consensus is to use the consultative mechanism of the Prime Minister's Science, Engineering and Innovation Council to initiate a national debate on the issues. The Council has the potential of feeding ideas and attitudes from the scientific and technological communities directly into Government. The task of the Australian Academy of Technological Sciences and Engineering along with the other Academies and professional organisations - and this Defence Force Academy too - is to respond to this challenge.

ADDRESS BY MA (TIM) BESLEY AO TO THE NATIONAL PRESS CLUB,
CANBERRA 14 JULY 1999

CHECK AGAINST DELIVERY

Australian needs, Australian research

Professor Cullen, Ladies and Gentlemen.

Innovation is the lifeblood of any modern nation. The creation of a culture which enthusiastically meets the challenges of today's world by seeking out new and better ways of doing things must be the vision of all who seek a prosperous Australia in the 21st century.

Yet the means of achieving this are not immediately obvious.

There are powerful global forces at work influencing both university and business research in Australia.

Chronic underfunding of R&D by business in Australia remains a major concern but all is not lost and there are a number of ways to improve our situation.

Research and development, both basic and applied, is a vital component of the innovation process and is very responsive to alterations in Government policies.

Innovation relates to new ways of doing things, to the devising of new products and to the development of new services. It is the result of many factors including imported technology, local research and development, a culture that welcomes new ideas and one which has the willingness and ability to finance those ideas. The difficulty facing Governments in addressing the desire to stimulate innovation is that in a truly competitive environment much innovation is locked within individual companies and evidence of its success emerges only some time after the event. For this reason, Governments rely, as we must also, upon indirect measurements of one of the more important inputs into innovation – research and development.

It is frequently said that Australians are an innovative race. However, it is also clear that while we may be good at the initial stages of innovation, involving individual inventors or small teams of researchers, we have in the past lacked the ability to organise all the other inputs such as finance, marketing and management to capitalise on that good beginning. Australia's historically high standard of living still depends, in large part, on utilising the rich endowments of our primary industries. For a relatively developed country, there is little evidence in Australia of the emergence of companies with a world wide profile such as Volvo, Ericsson (Sweden), Nestle (Switzerland), Philips, Shell (Holland), Nokia (Finland).

Each of these companies has prospered in countries with a population smaller than our own. In this context "countries" must not be confused with "markets". Small nations of Europe have benefited from access to their large neighbours - in effect they have been embedded in larger markets.

There was a time when large corporations funded curiosity driven research in the expectation that this would bring tangible benefits to their bottom line. Some very large corporations are still rich enough and willing enough to do this but for most of the world's businesses those times are long past.

More recently, it was considered that the job of basic research was to develop the ideas and of industrial research to commercialise them. This linear model had many adherents but it was eventually realised that while it was an elegant theory it was little help as a basis for planning. It is now widely understood that R&D in the real world is much more complex and chaotic with multiple feedback and feedforward of ideas at all points.

Industrial research often provides inspiration for more basic studies and vice versa. Much of current business R&D is now characterised by a detailed knowledge of the market or application for which the new development is intended coupled with strong management planning and implementation to achieve goals and a ruthless on-going analysis of costs and performance.

In the more fiercely competitive enterprises, the nature of the R&D and its time horizon has changed markedly. It is now firmly controlled by management with identified goals to be achieved in a set time period and within agreed budgets. The time horizon is shorter and, since the aim is competitive advantage, co-operation is not as common.

Outsourcing to University Departments is concentrated rather than diffuse with most funds going to a much smaller number of departments that possess special expertise. These can be exciting times for R&D staff both in the enterprise and in the University departments. At long last management has noticed that R&D staff exist and are supporting them with funds and whipping them with deadlines. Moreover, there is a sense of achievement when the results of research are speedily implemented, because management is now planning for the consequences of success.

Like most business activities this strong focus on R&D can be well managed or poorly managed. In enterprises in which the Board and senior management are committed to innovation, the new focus on goal oriented R&D will be seen as an opportunity for a two-way exchange between business and research.

New ideas from widely varied fields can become integral to business strategy planning. By contrast, ideas may be stifled in enterprises where R&D is seen merely as a service to management or a means of cost reduction or problem solving within the existing businesses. Where management has this latter view, R&D may be seen as a discontinuous need, which can be more appropriately satisfied by outsourcing the activity completely. While there is nothing inherently wrong with outsourcing, management may receive answers to only those questions they know how to frame and the enterprise may lose much of the potential benefit of the application of enquiring minds to their business.

The global environment for business R&D is characterised by a concentration on outcomes, a diminished interest in funding generic research, a tendency to form strategic alliances for mutual benefit, and a strong focus on value for money and results which translate into profits. This has particular implications for Australia as we will

increasingly find that sources of technology previously freely available to us will progressively dry up or become available only at ruling commercial rates. It is already happening in the defence field.

There has been a significant change process underway in Australian universities. The enormous expansion in student numbers, the increase in the numbers of universities, increasing community expectations, the introduction of fee or partial fee paying students and the expansion of foreign students have all placed stress on the University system.

Universities in Australia are responsible, either by themselves or in partnership with others, for the greater part of all basic research carried on in the country. They are also significant performers of applied or goal oriented research. They are the repository and replenishers of the great store of intellectual capital that the rest of the community - including the business community - rely upon.

It is also clear that there are limits now to the amount of research activity that can expect direct support from Government funds. The number of worthwhile applications which fail to achieve funding is very high.

The recently released Green Paper on Research in Universities, "New Knowledge, New Opportunities", encourages universities to concentrate their resources into fewer but more effective departments which will have a greater chance of attracting external funding. This will have profound implications for the way in which Universities govern themselves and the research areas they choose.

The Government has also signalled its intention to guide the funding bodies to broaden their range of inputs from the community in devising their strategic funding policies. Rare indeed will be the scholar who can pursue his or her interests and imagination without paying some attention to the role of Governments in their funding and of taking some note of that Government's perceived set of national priorities.

One hopes that this system never neglects the "sole genius".

Irrespective of whether you think the current funding levels are adequate or not, it is clear that in the future Universities must look to fund much of their increased research activity from business. Already there is much interaction in this area but the percentage of University research funds provided by industry remains small at around 8%.

The proposal in the Green Paper to give equal rating to external funds and national competitive grants when determining the allocation of block research funds to Universities would, if implemented, have a powerful effect in re-orienting University R&D in the direction of business collaboration. For this reason it is important to consider the changes outlined above in the way business views its R&D expenditure.

The good news for Universities is that the trend of companies to outsource increasing amounts of R&D means that there may, potentially, be much more willingness on the part of business to place R&D with University researchers.

The bad news is, now that the outlook of most major businesses is global they will seek to place their R&D in the top Departments in the world for the particular speciality they are seeking. This is greatly facilitated by the communications revolution and the relative cheapness of international travel plus the realisation of the advantages of strategic alliances.

In a very real way, University departments have become exposed to vigorous global competition and only those departments and organisations willing to position themselves to become truly world class will receive the large corporate dollar.

The Green Paper's urging of universities to concentrate their resources in areas seen to be of future importance is very timely indeed. These moves will inevitably result in some tough decisions by universities. Some departments will prosper and grow while others will wither and disappear. The research activity in some universities will diminish.

The advantages of a concentration of resources should be apparent but if (at the risk of neglecting numerous other examples) I mention the names of Martin Green in solar energy, Allan Snyder and Rodney Tucker in telecommunications and Graeme Clark in the bionic ear you will understand what I mean.

The pressures to bring about greater specialisation and concentration of University research should not be seen as the result of a government whim but rather as a natural response to global events.

Government has a clear role in funding basic, curiosity driven research and this role has been reaffirmed in the Government's Green Paper. Apart from the rare private benefactor or charitable trust there is usually no other source of funding. This is despite the fact that there are real, if not immediately realisable, benefits to society in funding such work.

The argument does not diminish for the medium sized economies of the world such as Australia because, although we lack the resources to fund massive programs across a broad field, talented teams or individuals in tightly concentrated areas can make real progress and be at the cutting edge of knowledge generation.

The long time horizon between basic research and any potential application or benefit means that, in practice, it is not possible for Governments to choose individual programs for support. The wisest policy seems to be for Government to support this type of activity via agencies such as the Australian Research Council and the National Health & Medical Research Council to allocate funding and maintain the quality.

It is encouraging that the Green Paper recommends that this system be retained and strengthened. While this system for funding basic research has its critics, no one has yet come up with a better system. In a very real sense, researchers are judged in the international market of fundamental research.

Overseas studies also reinforce the view that it is important to concentrate resources in a few centres that are truly world class rather than spreading them thinly over a wide area. Similarly, there is much value in stability of funding in order to build up a solid body of expertise in an area over many years. Research is a long-term investment.

Governments also have a legitimate role in the support of applied research. The conventional reason for this is that the benefits of research and development and the ensuing innovation are not confined to the firm but are spread throughout the community.

In this view of the world, research and development was a public good which followed more or less automatically in economies where the government got the economic conditions correct. Innovation was a result of underlying economic progress.

Another perspective is that investment in R&D can itself be a powerful driver of both innovation and of growth in the economy. The switch from seeing R&D as a cost to seeing it as an investment may account in part for the phenomenal growth of the USA economy in the 1990's.

While the level of Government funded research in Australia compares favourably with other OECD countries, the level of business funded R&D has remained stubbornly low. In fairness to Australian industry, it must be acknowledged that research expenditure as a percentage of gross revenue is very variable between sectors of industry.

The mix of industries which dominate Australia's wealth creation are relatively small research investors worldwide. Many minerals companies in Australia rightly see exploration as an investment in the same sense as research. Perhaps this should be recognised in this debate on industry culture and the willingness to invest in a high risk activity.

The level of Business Expenditure on Research and Development (BERD) rose strongly during the 1990s reaching a peak of 0.86 % of GDP in 1995/96. However, this was low, compared to the OECD average of 1.27% for the same period. Since then business R&D expenditure has been estimated to have fallen to 0.72 % in 1997/98 – a fall of 7% compared with 1995/96. The outlook for 1998/99 suggests a further decline.

This is a serious matter and deserves the urgent attention of the Government. Even if some of the apparent decline, as the Government claims, is the result of the elimination of wrongly classified expenditure from the figures, then this merely means that the figures of a few years ago were worse than we thought.

Although Australia's expenditure of BERD is low by comparison with other OECD countries, the real situation may be even more serious. Because of Australia's physical isolation and the fact that much of our major industry is foreign-owned, expenditure on R&D should exceed that of most OECD countries to ensure an adequate level of home grown scientific and technological competence.

It is difficult to avoid the conclusion that the level of support required by business in Australia to stimulate expenditure on research and development activity is at least equivalent to the former level of the 150% tax deduction.

A fundamental issue is what can be done to diminish our R&D deficit in computing, information and communications hardware and software. These are the industries

which are driving world growth and invest relatively high percentages of gross revenue in R&D internationally.

If the situation is to be remedied, Government must invest innovatively or ask all other industries to carry the debt occasioned by the trade imbalance of that sector.

A similar challenge faces us in the bio-technology sector. Where we have a small research dependent industry competing with an international industry with a big R&D commitment, then a more interventionist role for Government should be advocated.

A failure of Government to act wisely will simply result in a significant trade deficit in bio-technology in twenty years, mirroring the present national problem in the information related industries. The Government appears to recognise this with the establishment of a new agency, "Biotechnology Australia" to boost Australia's position in the global biotechnology industry.

One of the most effective ways in which Government can influence the amount of R&D undertaken in Australia and stimulate innovation is by use of the business taxation system. The previous tax concession for industrial R&D, at the level of 150%, seemed to stimulate it. Although it was, of course, useful only if the company was making a profit. Small innovative companies rarely make a profit for many years.

It is not the only way to use the taxation system. In its submission to the Review of Business Taxation, the Academy of Technological Sciences and Engineering cited the current Canadian scheme as worthy of serious study. Under that scheme a tax credit of 20% is provided for qualified R&D expenditure, increasing to 35% for 'Canadian controlled private companies' for the first C\$2 million pa investment in R&D, with provision for small claimants to receive a cash payment in lieu of a tax credit.

This equates to levels of assistance exceeding that of the previous Australian 150% scheme but supports developing small businesses that do not have a profit stream to provide benefit from a simple taxation concession.

In this regard the value of consistent positive signals from the Government should not be underestimated.

In discussing the needs of industrial R&D it also needs to be said that such support should also be available to those innovating and improving technology in Australia's traditional businesses. They still represent a massive investment and highly valuable resource which must operate at the leading edge of technology in order to maintain their competitiveness.

An area where the Academy, in company with many others, believes that the Government has been sending the wrong message is in the capital gains tax system. This arrangement penalises local entrepreneurs and sends them and their businesses off shore. It also discourages overseas capital, particularly the large US pension funds from investing their venture capital in Australia.

A recent paper in the Journal of the Securities Institute of Australia titled "The anti-jobs tax – How Australia's CGT sends investment the wrong way" makes some interesting observations. After noting that overseas institutions, particularly pension

funds, have been major investors in venture capital funds in their own countries, the paper points out that the four largest Australian institutional venture capital investors direct more than three quarters of their venture capital overseas.

These funds are going to create jobs overseas but there is only a 12% corresponding inflow from overseas funds – largely blamed on Australia's CGT system. It is refreshing to see this problem acknowledged in the Green Paper and in recent statements by the Prime Minister. We hope that the Government will soon address this problem.

There are some bright spots. One of these is the Cooperative Research Centres (CRC) Program which stemmed from ideas proposed by Professor Ralph Slatyer. There are now 67 CRCs set up throughout the country for which the government provides funding of approximately \$140 million per annum.

The scheme has been reviewed and is recording successful commercialisation stemming from the collaboration between private businesses, university departments and the CSIRO.

However, the most important outcome of the scheme, as opposed to the measurable outputs, is likely to be the culture shift which takes place within the collaborating parties and the clear public demonstration of the advantages of this form of collaboration. Another positive outcome is that the scheme is starting to achieve one of the significant objectives of the Green Paper, namely the production of a stream of new higher degree graduates who have been exposed to business cultures. They are well suited to become the entrepreneurs of the future.

Another bright spot is the Strategic Partnerships with Industry - Research and Training scheme (SPIRT). A recent review of the scheme demonstrates that the scheme has become particularly attractive to Small and Medium Sized Enterprises (SMEs) with the joint university-industry scholarship scheme being especially effective in initiating the first contact for SMEs. Under the scheme numerous industry/university collaborative programs are underway in fields as diverse as passenger vehicle safety, waste management systems, robotics, high resolution satellites and the dynamics of beach erosion.

The Government's Innovation Summit in February 2000 will be an important event at which all of these strands could be woven together into an overall strategy for Australia. I look forward to the summit with keen anticipation.

In summary, there are a number of conclusions that may be drawn from the arguments presented today.

- Australia needs a clearer vision for its wealth creation in the next century and this vision must address the successful commercialisation of its investment in the science and technology base.
- While R&D is not the only factor involved in successful innovation, it is vital and must be supported. R&D is an important indicator of the level of innovation. Government and business alike should see that engaging in substantial and relevant R&D is a profitable investment.

- Powerful global forces are bringing about changes in the way in which R&D is carried out in both academia and business.
- The areas of focus of this R&D need to be better aligned with the evolving needs of the nation, compatible with the national vision and compatible with the global opportunities to use that R&D to create national wealth.
- Universities will be forced to concentrate their resources to produce more world class departments and centres which can attract business support.
- Businesses will, in future, be less inclined to invest in generic research and more focussed on work that results in tangible proprietary outcomes. There will increasingly be a focus on forming strategic alliances for defined aims.
- The Government, as a matter of urgency, should address the chronically low level of Business Expenditure on R&D in Australia and work to remove impediments to investment in new technology within Australia. The current Review of Taxation is the ideal vehicle for this. The value of consistent policies toward and long term funding of R&D is critical.
- The Government's Green Paper contains many initiatives that support these views and are worthy of close consideration by both academia and business.

As Australia becomes even more enmeshed in the global economy, Australia needs Australian research to maintain our competitive advantage in the areas in which we have always held our own and find new areas to contribute to our national well being.

Thank you

Macquarie University Graduation Speech

11 April 2016

Chancellor, Vice Chancellor, Members of Faculty, Staff, Distinguished guests and importantly graduands and their family and friends. I am pleased to be here this evening. There are three reasons.

I have been associated with Macquarie over many years.

My wife Sarah Harrington and I are graduates of Macquarie. We did a law degree part time as mature students in the late 70s and early 80s.

My seven years as Chancellor in the 90's were memorable and enjoyable. I pay tribute to the Vice Chancellor at that time Professor Di Yerbury who contributed much to what Macquarie has become today.

My daughter Alice Harrington is graduating as a Master of Clinical Audiology today.

And just where are we in a broader sense today? New and amazing technological developments are emerging almost daily, certainly faster than our leaders are able to put appropriate regulations in place. Entrepreneurs are finding ways to utilise this tide of technological change in quite magical ways. And you as future leaders have been well trained by Macquarie University to play your part in this new world.

In my working career of more than 60 years so far, I say so far because I am still going, I have had good luck and opportunities to have interesting and challenging jobs. I would like to share this journey with you and tell you what I have learnt.

I graduated in Civil Engineering in New Zealand more than 60 years ago. After a

short spell working there I came to Australia to work on the Snowy Mountains Scheme. I well remember leaving Wellington Harbour on a Tasman empire Airways flying boat and landing 6 and half hours later at Rose Bay in Sydney. It was 40 degrees that day and not knowing much about travel I was in a three-piece suit. It was indeed a warm welcome to Australia.

The Snowy Scheme was a great place for a young engineer. Over a period of 25 years, the Scheme built 10 major dams, 6 power stations 2 of which are underground, a major pumping station, and over 130 KM of large diameter tunnels - all on time and on budget.

It was a truly major civil engineering project. Its construction activities provided a melting pot for hundreds of migrants who came to work on it from all points of the globe. It showed Australia could do big things and that we were a tolerant society. Germans, Italians, Greeks, Scandinavians and many more worked together to build the Scheme.

As well as the serious business of building the scheme there were some lighter moments. I remember an incident at a Cooma nightclub called The Pasha frequented by employees. The feature of that evening was a snake dance performed by a well-proportioned young woman. Unfortunately the snake escaped from around her neck. This caused a bit of a panic amongst the patrons, one of whom deciding quick action was needed, seized a chair and demolished both it and the snake. That ended the night's performance.

One of the great things about the Scheme was what I call the spirit of the Snowy. It bound us all together in a common cause and

at subsequent reunions many of those who had worked on it came together again.

Appreciating that as I did, and still do, I urge you to maintain your links with Macquarie, take part in its activities when you can and preserve the networks you have developed with your fellow graduates.

Post Snowy I worked for a time in the Commonwealth Public Service, in the Territories Department at the time Papua New Guinea was becoming independent, in Treasury in the Foreign Investment Division and finally as head of Business and Consumer Affairs which was heavily involved in developing the National Companies and Securities scheme and Consumer protection laws.

I was head hunted to become CEO of Monier Ltd in 1982 and when it was taken over 6 years later I began a career of non executive directorships.

At the invitation of the then Treasurer Paul Keating I became Chairman of Commonwealth Bank and enjoyed the challenges of its privatisation. At about the same time I became Chairman of the Leighton group. And over a number of years served on the Boards of other publically listed companies.

Along the way I was President of the Academy of Technological Sciences and Engineering, Chairman of the Australian Research Council and the CRC on Green House Gas Technology. In that venture we demonstrated that CO2 could be successfully stored by burying 62,000 tonnes deep in the Otway basin in Victoria. And now seven years later it continues to be safely stored.

I've had a good run and most of what I've done has been fun. There have been failures too. I recall for example how disappointed I was when being considered for a Board

position in a major multinational company I missed out. I failed in my first attempt to join the public service at a senior level. I remember thinking after these experiences that nothing is certain until it happens, but reflected on what I had learnt, and the importance of focussing on the future not looking back.

All of this has taught me four important lessons.

- Be prepared to have a go.
- Don't be afraid to take some risks.
- Learn from any failures you may encounter; and
- Be flexible and adaptive.

In your careers you will also find that it is rewarding and appreciated if you can give something back to the community. I know I did when working with a community group we tidied up the run-down grounds of the Cooma cemetery and later when I Chaired Sydney Royal Botanical Gardens and Trust and served on the Advisory Boards of the Salvation Army and Sydney Legacy.

Whether you are graduating in linguistics or audiology today your training equips you for more than you may think at this stage of your career.

You are tomorrow's leaders and your professional skills now and as they develop through continuous learning can open opportunities not always directly related to the disciplines in which you are graduating today.

As alumni you are part of a worldwide network of Macquarie Graduates. It is a valuable network to maintain and your active participation in it helps the university and its family to become even better.

Looking back to the day of my graduation in Christchurch in April 1950 I could never have imagined then that most of my working

life would be Australia and that I would one day be Chairman of Australia's biggest bank and its largest construction and development group.

I express my admiration of your families and friends who supported you and thank them for their forbearance in listening to me when they will be wanting to get on with the main event – your graduation.

My thanks also to the Chancellor for the opportunity to say a few words this evening.

I wish you well in your future careers and urge you to celebrate your achievements.

Written for my daughter's graduation, Master of Clinical Audiology, April 2016 but not delivered because of a false medical alarm.

Press Clipping

Even turtles stick their necks out

Risk aversion threatens our way of life, warns Tim Besley

ARE Australians more timid, more loath to take risks and less likely to advance rapidly as a society than our forebears? On the daily evidence of our national media, it would seem so.

Hardly a day passes without some valued service in the community being withdrawn for lack of insurance cover. Without somebody suing someone over an unforeseen risk. And not a day passes without the real risks escalating as a result.

A report by the Academy of Technological Sciences and Engineering, released today, suggests we are in danger of becoming paralysed by fear. Our risk aversion may prove the greatest stumbling block to our becoming an innovative society. The implications are serious for the whole community. It is not simply a matter of lawsuits, insurance cover and regulation. It's also a question of how, as a society, we identify, understand, respond to and cope with risk. At present we don't do this well.

"No pain, no gain" is a common saying of our athletes and sportspeople. "No risk, no progress" might be its equivalent when we come to comprehend and deal with the risks presented by modern technology and innovation.

Despite our best efforts, new technological developments almost always entail a measure of unanticipated risk. The problem is that our present level of risk aversion tends to discourage innovation in Australia by punishing our creators and developers when risks eventuate. If people can be sued and otherwise penalised for trying to improve our national wellbeing, they may think twice about doing so. Or they may simply do it in another, less risk-averse, country.

Our efforts to handle risk sensibly are hampered by five paradoxes: social — we need to take risks to progress, but are becoming more risk averse; legal — risk-taking requires a logical, precise law of negligence, but the current law is illogical and imprecise; regulatory — our regulation is fragmented and inconsistent, it lags behind technology and our regulators are more exposed legally; investment — technological progress requires patient risk-capital and our financial markets cannot provide enough; and disasters — many avoidable disasters occur in spite of clear warnings, even in large and respected organisations.

FORMER chief justice Harry Gibbs points out that judges and the present law of negligence now favour generous handouts to the plaintiff, often at the expense of justice to the defendant. This deters those who provide goods and services to the community from taking otherwise reasonable risks.

In recent years Australia has enjoyed high levels of economic growth by world standards. To sustain this we have to take risks. And to take risks, we have to be less timid and uncertain, less litigious and less eager to punish those who are adventurous, enterprising or innovative.

But there must be a fuller dialogue in society about the sort of risks we're prepared to countenance — and the ones we're not. Governments and the community should consult how we can achieve an acceptable risk profile for our society, one that does not hamper progress, but nor does it mean progress as the expense of people's lives or wellbeing.

Our scientists, engineers, technologists and learned bodies should help people understand that lawsuits aren't the only answer and hold serious downsides. Australia's tort law is in need of a major overhaul, as is our approach to compensation. They are archaic and out of touch with the needs of a rapidly advancing, technology-based society. They prevent us from achieving many benefits.

Australians may not be more timid than previous generations. But the structures, legalities, regulations and deterrents we have amassed make our society as a whole less tolerant of risk. Innovation is the source of our future national wealth, sustainability and wellbeing. To restrict it makes about as much sense as preventing Ian Thorpe from training.

Tim Besley, former Commonwealth Bank chairman, is president of the Academy of Technological Sciences and Engineering.

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To Sarah for her patience, particularly when I became angry that the computer was not typing what I dictated and when I panicked about whether or not the document had been saved. She also made many constructive suggestions.

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*The last leg of a journey from Cairns
to the tip of Cape York in August 2019*

