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## AUSTRALIA DAY LUNCHEON ADDRESS

January 26, 2009

Sir Arvi Parbo

Mr President, Ladies and Gentlemen,

I am very conscious of the privilege of being asked to address members and guests of this famous national institution, Melbourne Cricket Club, here in these magnificent surroundings, on Australia Day. Such an occasion would have been beyond my wildest dreams when I first arrived in Australia as a migrant from Europe in 1949, and yet here we are today. Thank you for the invitation.

What should I talk about? It seems appropriate to look back, reminisce a little, and perhaps contemplate the future.

I left my native country, Estonia, just before the end of World War II, ahead of her second forcible occupation by the Soviet Union. After nearly five years in displaced persons camps in Germany it became clear that Estonia would remain indefinitely under communist yoke, and that I should look for a new homeland. Australia was short of workers and encouraging immigrants.

I applied, was accepted, and things happened quickly. There was red tape but it was thin and the emphasis was on getting things done. Immigration and customs people completed the paperwork on board the ship from Europe. On arrival at Station Pier in Melbourne, a train pulled up alongside and took us to the receiveal and transit camp at Bonegilla. A week later I was operating a jackhammer in a quarry south of Adelaide.

Australia's population of seven million people in 1949 has since then trebled to more than 21 million through continued immigration.

Migrants today are said to have many problems. There was no-one in 1949 to tell us we had problems, so we were happily ignorant about these. We were keen to start our lives again in a country where there was freedom, opportunities to improve ourselves through our own efforts, and minimum interference with our ability to do so. Australia, to us, looked like such a country. Whatever problems there may be settling in were, to us, not worth considering compared with the opportunities ahead.

Australians at that time were not used to people from non-English speaking backgrounds, but all those I met at work and elsewhere were invariably friendly and helpful. In all my time in Australia I have never felt at a disadvantage because I was not born here.

During the 60 years since then I have travelled extensively outside Australia, in many countries large and small, rich and poor, on all five continents. Every time I have returned convinced that Australia was a great country to live in, and this remains my view today. I was very fortunate in my new home country. There is nowhere else I would rather live.

Australia is one of the oldest democracies and one of the truly free countries in the world. True democracy is not just elections and voting; it is most importantly the liberty of the individual so that they can choose how to live their lives and their protection by law, including protection against abuse of authority by the State.

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This does not mean that everything is perfect. Democracy is not an efficient system; it is deliberately designed so that those in authority are limited in what they can do without many checks and balances. It would not be the way to run a business or, I imagine, a cricket or a football team but, as Winston Churchill pointed out, with all its many faults it is the best system of government we know.

We also live in a free market economy and, again, this system has numerous weaknesses. It is based on freedom to make choices and follow individual interests, and this includes the freedom to pursue excesses and to make mistakes. Regrettably, the temptation to do so seems to be inherent in human nature. There are inequities and the quest for material benefits can cause people to lose sight of acceptable norms of behaviour, fundamental values, and what really matters. Healthy competition to ensure efficiency and the provision of goods and services at lowest cost can deteriorate into trying to gain advantage by unfair and unethical means.

But as with democracy, with all its faults the free market system is nevertheless the best we know. It has greatly improved the living standards of people wherever it has been practiced. The proportion of people suffering poverty has been rapidly decreasing, and what we now call poverty in the developed world is very different from poverty not so long ago.

The best testimonial for free markets is that both post-Soviet Russia and communist China have abandoned centrally planned economies and converted to a version of it, although so far maintaining autocratic systems of government.

In my youth I had the misfortune to live for a time under two alternative government and economic systems - communism and nazism. They were both dictatorships, characterised by complete ruthlessness and utter lack of morality - organised inhumanity. Both depended on unrestricted State power and State terror. There was a close similarity between the two: power was everything, and the ends justified the means. Both were responsible for untold suffering and the death of many tens of millions of people in the 20<sup>th</sup> century, the bloodiest period in human history. They stand equally condemned.

I was fortunate to spend my working life in the minerals industry, and that it included the great growth of the industry in the 1960s and 1970s which lifted Australia to a new level of prosperity. Minerals projects and economic development generally had the unqualified support of governments and the public which they had enjoyed since the gold rush days. The no-nonsense attitude that existed when I first arrived in this country continued. The focus was still on getting things done with the minimum of fuss. The "if you can't guarantee everything, don't do it" and "what is in it for me" attitudes had not yet emerged. We were motivated largely by the excitement and the personal and professional satisfaction of the discovery of great new ore bodies and creating in a very short time major new industries, which established Australia as a country of world significance, provided jobs, and improved the living standards.

In the last 30-odd years this has changed. Increasingly, the famed down-to-earth attitude and self-reliance of previous generations of Australians has been replaced by a tendency to blame someone else for the problems and lean on someone else for the solutions. We seem to be spending much time and energy on devising and following complicated procedures before anything can be done, the main purpose of at least some of which appears to be to delay, if not prevent, decision-making. There must be rules and we must observe satisfactory standards, but we seem to have gone well beyond this. One could be excused for concluding that the process, rather than the outcome, has become important.

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This is not limited to the minerals industry. I am presently involved with a retirement village and aged care centre in a country township in New South Wales, 100 kilometres from Sydney. There is a need to expand, the State Government, the local Shire, and the local community are all in favour, and the finance is available. There is vacant land for the expansion right next door to the present facility and the owner is happy to sell. The land, however, is zoned 'rural' and has to be re-zoned 'residential'. We are advised that, with everybody in favour and the process expedited as much as possible, the re-zoning will take two years!

It may well be that in some areas there has been not enough of the right kind of regulation; certainly the present worldwide financial crisis appears to have originated in practices that should not have been permitted. There is no doubt, however, that in many areas there is excessive regulation. The author and newspaper commentator Paul Kelly has described Australia as a young country with geriatric arteries. I regret to say that I think he is right.

The good news is that we can do something about it. One of the election promises of the Prime Minister was to reduce unnecessary regulation. Let us hope that he will get around to it; so far we seem to be still going the other way.

There are other worrying aspects of life today, but overall the human condition has improved.

It is fashionable today to predict calamity and the end of the world: when we open the newspaper in the morning, there is hardly any good news in it. Headlines proclaim one crisis after another. It seems to be a part of human nature for many of us to take a dismal view of things. It is also a characteristic of the world we live in that exaggeration is a part of our daily lives. To gain attention, it is increasingly necessary to talk in superlatives or paint disaster scenarios. To ensure continued attention, these become more exaggerated as time goes on.

What we eat or drink is poisonous or at least not good for us, the air we breathe is polluted, new illnesses are attacking us, our jobs are unhealthy or too stressful, and so on and so on. Surveys ask the question: "Why are you unhappy?" There are predictions of disasters a hundred years ahead. I could go on for a long time.

What no-one has been able to explain to me is that, if we are exposed to all these dreadful things, why is it then that on the average people now live much longer? In Australia the average lifespan continues to increase by one year every five years, as it has for the last hundred years.

There are only two possible answers: either what we are told is not true or grossly exaggerated, or the adverse effects must be more than made up for by beneficial influences we never hear about. Either way, there is no doubt that we are better off now than we were previously.

This does not necessarily mean that we have also become wiser. Communism and nazism are now in the dustbin of history, but there are many other -isms and ideologies of various kinds. More than a half of the world's population does not live in freedom. Bloodshed and unspeakable atrocities continue in many parts of the world.

What about the future? Where do we go from here? It is humbling how little we can predict it.

Virtually all the experts are trying to forget what they said in their forecasts a year ago; stock market experts are trying to forget what they said just a few months ago. Looking back for the 60 years since 1949, who could then foresee the European Union of 27 countries, the amazing transformation of Japan, the collapse of the Soviet Union, and the changes in China after Mao Tse Tung? Who could then

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predict the technological developments from jet aircraft to nuclear power stations to satellites and space travel to television to mobile phones to personal computers on every desk to the internet to progress in medicine and biotechnology to the Green Revolution in food production to a globalised world economy, and so on? Had a modern Rip van Winkle gone to sleep 60 years ago and woken up today, he would not believe that he was in the same world.

We could not foresee any of these developments, nor can we predict the changes and developments in the next 60 years, other than that these will be at least as significant and probably more so than those in the recent past. We must not think of the situation at any particular time as 'normal', in the sense that this is how it should or will remain. It won't. The greatest certainty about the world is that it will keep changing. Nothing can stop this. There will be periods of progress and times when setbacks occur, as we are experiencing at present. The trend, however, is clearly upwards.

I believe that those attending the Australia Day luncheon here in this room 60 years from now and looking back to our time can say that their life has become better. Let us hope that they can at the same time say that they have also become wiser.

In this fast moving world, Australia is in all respects well placed to participate in and benefit from whatever may be ahead. It continues to be a great country to live in; we are all very fortunate. It remains a land of opportunity for our young people, especially if we can unclog at least the worst of the geriatric arteries. Their future is in their own hands. I only wish I could be starting out again together with them.

Ladies and gentlemen, Happy Australia Day!