



Probus Club of Sydney

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Newsletter

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JULY 2023

Issue 455

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NYUNGAI WARREN MUNDINE AO
It's not our Voice

AUGUST 1

RICHARD BROINOWSKI AO
Australian Foreign Policy

ACTIVITIES

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AUGUST 14

WINTER LUNCHEON – RSGC
Kate McClymont - guest speaker

SEPTEMBER 22

VICTORIA BARRACKS
(Save the date!)

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FROM THE PRESIDENT

Gentlemen,

I'm in Winton, Queensland, as I pen this, seeing "*the vision splendid of the sunlit plains extended, & at night the wondrous glory of the everlasting stars*".

Yes, Banjo Paterson country, but also dinosaur country. I've also been enquiring about attitudes to the "voice referendum", but interest unfortunately seems to be minimal. The situation in Sydney is clearly different with most people being firmly in the "Yes" group, "No" group or the "Please give me more information before I decide" group. Warren Mundine's talk at our next Meeting on 4 July should provide much food for thought and discussion, particularly for those in the 3rd group.

Our June Meeting attracted 63 members and 7 guests, with 42 staying for lunch. In addition to our annual Financial talk, we were treated to Ted Brogan's Life Before Probus (LBP) & one of Max Moore-Wilton's Raconteurial talks, both highly entertaining.

On 4 July, I'm delighted that Kim Oates and Paul O'Sullivan have agreed to present their LBP talks. In addition to registering (on the App or on the website) for this Meeting, please register for the Winter Lunch (Partners most welcome) which is being held at Royal Sydney Golf Club on Monday 14 August.....there's still room for more!

Best wishes

John Carter

President

Note

To Register to attend the July meeting at the Union, University and Schools Club - [click here.](#)

JULY 4

NYUNGGAI WARREN MUNDINE AO

It's not our Voice



Later this year Australians will be asked to vote at a referendum to amend the Australian Constitution to enshrine an Aboriginal and Torres Strait Islander Voice to Parliament.

Nyunggai Warren Mundine will share why he is opposed to enshrining the Voice to Parliament in the Australian Constitution including why it will divide the country based on race and will not result in real outcomes for our First Nations people. He will also share his views on better ways to recognise and achieve practical outcomes for

Aboriginal and Torres Strait Islander people including through focus on economic development, creating safe and educated communities and increasing opportunities for individual self-determination and economic prosperity.

Mr Mundine is a member of the Bundjalung Indigenous Nation of Australia and a descendant of the Gumbaynggirr and Yuin Indigenous Nations of Australia. He is from Grafton, NSW.

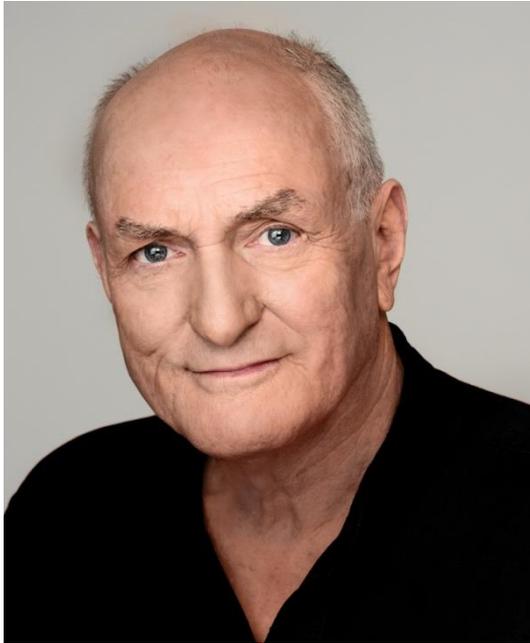
Mr Mundine is a highly respected and influential businessman, political strategist and advocate for empowering the Indigenous people of Australia to build businesses and sustainable economies. His life and career have been shaped by a personal commitment to community and economic development. He has more than 40 years' experience working in the public, private and community sectors. He has advised successive Australian governments since 2004 and his appointment as Chairman of the Prime Minister's Indigenous Advisory Council from 2013 to 2017 follows a long career in the public, business, policy, arts and community sectors.

He is currently Chairman and Managing Director of Nyungga Black Group, Chairman of the Australian Indigenous Education Foundation and a Governor for the Committee for the Economic Development of Australia, Chairman of Fuse Minerals, Aura Energy and was previously Chairman of Real Futures, RISE Ventures, NAISDA College, NAISDA Foundation and the Australian Indigenous Chamber of Commerce, among others.

AUGUST 1

RICHARD BROINOWSKI AO

Australian Foreign Policy – are we heading in the right direction?



Richard has a law degree from Adelaide University and a master's in public administration from Harvard. He joined the Australian diplomatic service in 1963 and in his early career was posted to Tokyo, Rangoon and Tehran. He was deputy head of mission in Manila in the 1970s and later, Australian Ambassador to Vietnam, then South Korea and finally to Mexico, the Central American Republics, and Cuba. He was general manager of Radio Australia in the early 1990s. On retirement, Richard became an adjunct professor in communications at the Universities of Canberra and Sydney. He has published eight books, mainly about political history and nuclear

matters. He became an Officer in the Order of Australia in 2019.

Since the beginning of European settlement, Australians have been beset by fears of invasion, usually from Asia. We clung to assurances of British protection until the Japanese invasion of Singapore in 1942, then to the United States, our hoped-for protector under the ANZUS Treaty. Our insurance policy was to join the US in numerous wars, none coffer-draining, but none successful. The Morrison government, followed closely by that of Albanese, doubled down in their faith of US protection under the AUKUS agreement. But given that the mantle of US world hegemony is slipping, is such confidence justified? Is the acquisition of a handful of nuclear-powered submarines and other kinetic marvels a wise defence measure against a resurgent China? Should we be seeking security in Asia, not from Asia, and if so, what would this entail?

John Doherty

JUNE MEETING REPORT

President John Carter opened the meeting, welcoming seven guests: Peter Corlette, Dave Holmes and Will Rogers (introduced by Ted Anderson), Al Smith and Nick Halliday (Peter James), John Dunlop (Chris Cullen) and Wes Raffel (Neil Martin).

There were presentations from John Doherty (Speakers Programme) and Ted Brogan (Activities).

Inductions



Ian Lansdown introduced Tony Wither for induction. Tony went to school as a boarder in Kashmir before returning to England to complete his education in engineering. He then migrated to Canada to work in a machine tool engineering company before moving to Europe as marketing manager for the company. In 1980 he arrived in Australia (based in Melbourne) where he got involved as a Macdonalds franchisee. He eventually owned four franchises in Victoria but when he sold up he moved to Sydney in 2000. Tony is a keen sailor, especially yachting expeditions to the South Pacific.



John Doherty introduced Rod Hansen. Rod was educated at the University of NSW and became a mining engineer, mainly in the hard rock industry, especially gold. He worked in the industry for more than 50 years including overseas in places like China and Guadalcanal.

President John formally inducted Tony and Rod into the club, encouraging them to enjoy what the club offers.

Life before Probus

Ted Brogan



Ted Brogan was born in Canberra where his father was an Army officer. As an army child he was moved around a lot in most states and even overseas. He had more than 10 homes and went to 10 schools, all the way from Camden Primary to The Kings School, Parramatta.

When his father was posted to the UK he went to a 'crammer' to get him through his O and A levels. He eventually returned to Australia where he attended Sydney University to study law. He started work at Stephen Jacques and Stephen mainly through family connections (his father had

been in the wolf cubs with one of the partners!) but also because, in common with many of the firm's partners, he'd been to St Pauls College at the uni.

He then eventually moved to EFIC (Export Finance Insurance Corporation) which was a Quango. He was General Counsel and, in that role, moved all round the world from China to Chile, Argentina and North Africa doing credit insurance, loan and guarantee work. In his first job, whilst in his mid-twenties, he had to write a guarantee on behalf of the federal government for \$50 million. One of the interesting things he did was to do the first commercial loan in China. He told some interesting tales about dealing with the Chinese back in the 1970's when everybody wore Mao suits and there were very few cars. In Burma he was involved in a contract to provide Australian 'Fisheries Protection Vehicles' despite the fact that Australia did not sell arms to overseas countries.

He then joined Barclays Bank in their international division in London and also worked in New York. Later he worked in the Australian Industry Development Corporation (AIDC) on privatisation projects but this was eventually wound up as it competed too much with the private sector. He moved to Halliburton working (in Australia) on projects like the Alice Springs-Darwin railway. Finally he moved into consulting before 'drifting into retirement'. An interesting career!

Raconteur

Max Moore-Wilton



Max Moore-Wilton gave an interesting account of parts of his amazing career, particularly in the public service where he spent the first part of his working life in the mid 1960's. He acknowledged his gratitude to the fact that he was given enormous responsibilities at an early age which he would not have got in the private sector. He initially worked with a team of 'buccaneer' public servants lead by Sir Alan Westerman who went on to found the AIDC which was hated by the federal Treasury!

Max was fast tracked through the Department of Trade and became, at the age of 35, the youngest First Assistant Secretary in the Public Service, heading the International Trade Relations Division which in those days was a sort of counter to the Department of Foreign Affairs. He admitted that he was 'somewhat lacking in diplomatic finesse' compared to his DFA colleagues! He humorously reminisced about one of his forays into diplomatic life when he was sent to lead a trade mission into Czechoslovakia which was in those days distinctly communist. Apparently, no ministers wanted to be seen going to a communist country especially after the Russian crackdown in Czechoslovakia. In those days Prague was a very miserable place, completely different to the beautiful city it now is. He then told us a very funny story about his visit to a Czech crystal factory and a gift of cut glass!

In the 1980's the public service had changed, and Max could see that his chances of future promotions were limited so he decided to move on to a statutory corporation and became the General Manager of the Australian Wheat Board with a brief to 'fix it up'. After some time, the government asked him to clean up the Australian National Line which was a Herculean task. The Liberals wanted to abolish it but the Labor Party wanted to keep it. It had never made a profit and its staff was a self-sustaining Workers Cooperative. He decided to start with sorting out Webb Dock where the Painters and Dockers ran the show when they weren't robbing banks or killing people but all they did was sweep out the ships. He worked out a deal with the Maritime Union whereby he would transfer the work to them and get rid of the Painters and Dockers. How he managed to achieve this goal proved another funny story and earned him the soubriquet of 'Max the Axe'.

He wrapped up his talk with a description of his transfer to the NSW Maritime Services Board and how he sorted them out and how he then fixed the Eastern Distributor with Macquarie Bank!

TIM ROCKS & RYAN CORMICAN Evans & Partners

Perspectives on Australian & International Markets, post the Federal Budget



With so many issues impacting on the outlook for the Australian and international economies, it was very pleasing and timely that two senior managers from Evans & Partners agreed to give us their perspectives.

Tim Rocks referred to the 20-year period of Australia's low inflation, which was broken by a surge in mid-2022 resulting from covid-induced goods, prompting the first wave of price inflation.

A second inflation wave has arisen recently in mid 2023, fuelled by wages growth and labour shortages with record job vacancies in the services sector, accentuated by the end May minimum wage case, which has determined wages for 25% of the Australian workforce will rise by 5.8% or more (8.6% for those on the minimum wage).

Another key recent change is the concurrence of consumers' willingness to accept price rises, and also firm's preparedness to raise prices (e.g., Telstra, Qantas, Woolworths/Coles). Also rents, house prices and electricity costs are rising. This implies that the Reserve Bank has big challenges with a lot more work to do to achieve its inflation target in the short term, with Fiscal Policy working against Monetary Policy.

The resilience of the Australian economy to the successive interest rate rises is quite remarkable, boosted by very high job creation (partly from covid bounce-back) and immigration. Many consumers are in a good spot from high employment and wages, plus large amount of savings accrued during covid restrictions (for those with income, including government covid handouts).

Questions arise about potential for financial strains from interest rate hikes. 3 banks have collapsed in the US, where there are approx. 4,000 banks, though only about the top 100 are closely regulated. Also, it is notable that financial regulation (especially required liquidity) has often not kept up with technology changes (e.g., social media can spread bad news very quickly, with risks to rapid on-line withdrawals). Another US financial change is the high vacancies in much of the office sector due to remote/hybrid working. This needs monitoring, as does sovereign debt

in second tier countries. In contrast, the Australian economy seems resilient through bank regulation, much lower office vacancies than US, etc.

The green energy push in the auto sector is another major change in global patterns. China has moved from #17 to #2 world car exporter in the past 3 years. This largely arises from Tesla 3 being the world's largest selling car brand in 1st Qtr. 2023, and 50% of those are made in PRC. In addition, China now controls over 80% of global lithium processing capacity, and a high proportion of batteries production capacity for EVs. So massive shifts are taking place, with China set to dominate, while traditional US majors seem in trouble. Tesla is building a 2 million cars per annum massive plant in Mexico. It was also noted that Wesfarmers is building a lithium processing plant here. Similarly, China controls about 90% of global solar panel production.

The enormous investment in environmental infrastructure is another key factor in the global economy and is ongoing. This adds to the challenges for central banks. Artificial Intelligence is another recent phenomenon increasingly impacting on world markets, as it transitions from analytical to generative AI, with positive implications for drug development, easier documentation, etc. Nvidia, Amazon, Microsoft have been beneficiaries.

Overall, he foresees the investment market as an uncertain outlook, with wide diversion between the hot tech stocks and the rest of the market, as reflected in PEs. Given high \$US, high valuations, and economic risk, one must be cautious investing in US stocks now. Nevertheless, US small caps seem to be oversold (also in Aust) so there may be some good opportunities. Likewise Asian stock markets may be undervalued (especially given AI potential). Albeit noting political risk, in particular PRC seems worth considering for a cautiously reasonable proportion, especially in technology, incl auto, solar etc.

He also noted interest rates were so low pre-covid that corporate or government bonds gave low returns. However recently 6-8% returns are available on a range of high-grade short term floating debt both in US and Australia. However, it is prudent not to be too brave in this sector given macro uncertainties. Australian equities are not especially exciting now, mostly not too expensive nor cheap. He sees opportunities in some sectors (energy transition), cautioned over-exposure in some sectors (banks), and encouraged using tax-losses before EOFY.

Ryan and Tim referred to their analyst teams, and willingness to follow up with our members wishing to discuss further individually and/or use their investment services. Copies of the excellent presentation slides (which graphically set out the above points) can be obtained by emailing ryan.cormican@evansandpartners.com.au

After the usual dynamic Q&A covering India, copper, coal, long lead times of large mineral projects, currencies, investment purpose/risk, etc, Evan Rees thanked the speakers for their very interesting insights and presentation.

Peter James

SOCIAL ACTIVITIES PROGRAM

Thirteen members had a private guided tour of the Archibald Prize winners on 19 June before the general public were admitted to the Gallery.

Despite mixed reviews by the critics, we found the art to be particularly interesting and occasionally challenging. Our Guide was very enthusiastic and had a vast knowledge of the various artists and their specific works, which made for a most interesting and instructive morning. The visit concluded with morning tea in the Cafe at the Gallery.



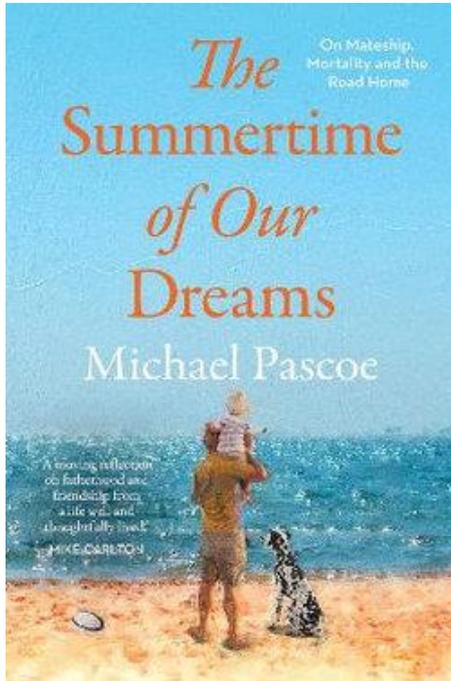
The winning entry in the Archibald Prize (Julia Gutman: Head in the sky, feet on the ground)

Future Events for your diary

Friday 21 July	Sydney Theatre Company backstage Visit
Monday 14 August	Mid Winter Lunch with Kate McClymont at Royal Sydney Golf Club
Friday 22 September	Guided Tour of Victoria Barracks, Paddington (bookings not yet open)
Tuesday 12 December	Christmas Lunch, Orso at the Spit (bookings not yet open)

Ted Brogan

The Summertime of Our Dreams by Michael Pascoe (2022) – 336 Pages



If you heard Michael talk at our March meeting, you will not be surprised at how beautifully he writes. We were lucky that a breakdown of technology enabled him to read a passage from his book. Next time let us invite him to speak about this book and other books he has written?

He writes intimately about his life and that of his dying schoolmate (Jim). The slow death of Jim from prostate cancer permits their letters to ruminate on their respective lives and deaths. However, while nostalgic it is not depressing but uplifting. Courage, mateship and masculinity in the 20th and 21st century is my shorthand description. Slightly different to the blurb which says, “on mateship, mortality and the road home”.

Jim and Michael endured the same Christian Bros boarding school upbringing in Nudgee (Queensland) in the 1960s and 1970s. Rugby colleagues then, but out of touch for the next 30 or so years, their relationship takes on a new dimension in the light of Jim’s diagnosis. Their letters are interspersed with Michael’s reflections on so many subjects including war, cars, city and country and friendship. It is our era, so Michael’s reflections are thought-provoking and relevant. With respect, a most unusual financial journalist.

A long road trip from Sydney, in his beloved Alpha, to the Sunshine Coast, after Jim’s death, gives Michael the opportunity for reminiscing and a stream of consciousness. Never linear or sequential, we are introduced to two very different lives: Jim, the athlete but consumed by anxiety and Michael, the wordsmith who confesses to fear on the football field.

Very much worth reading, particularly for our generation. We should get him back to talk about his book, read us some more extracts, answer our questions and to show our appreciation of his courage in bearing his soul for his mate and us.

David Castle

A TOUCH OF HUMOUR!

Some Cricket Wit (courtesy of Frank Barr-David)

Geoffrey [Boycott] is the only fellow I've ever met who fell in love with himself at a young age and has remained faithful ever since" - *Dennis Lillee*

The other advantage England have got when Phil Tufnell is bowling is that he isn't fielding - *Ian Chappell*

Being the manager of a touring team is rather like being in charge of a cemetery - lots of people underneath you, but no one listening - *Wes Hall*

Shane Warne's idea of a balanced diet is a cheeseburger in each hand - *Ian Healy*

I absolutely insist that all my boys are in bed before breakfast - *Colin Ingleby-Mackenzie explaining how Hampshire won the County Championship under his captaincy.*

The bowler's Holding, the batsman's Willey - *Brian Johnston as Peter Willey faces up to Michael Holding*

Neil Harvey's at slip, with his legs wide apart, waiting for a tickle - *Brian Johnston*

England have nothing to lose here, apart from this Test match - *David Lloyd*

No good hitting me there, mate, there's nothing to damage - *Derek Randall to Dennis Lillee after being hit on the head by a bouncer.*

I just want to get into the middle and get the right sort of runs - *Robin Smith, suffering from Diarrhoea on an England tour of India.*

Kid yourself it's Sunday, Rev, and keep your hands together - *Fred Trueman after Revd David Sheppard dropped a succession of catches*

Richie Benaud eyes the camera with the look of a disdainful lizard - *Brian Viner*

I'm a big believer that the coach is something you travel in to get to and from the game - *Shane Warne with another dig at John Buchanan*

Hell, Gatt, move out of the way, I can't see the wickets - *Dennis Lillee after stopping in mid run-up to bowl to Mike Gatting*

Well, Andrew Strauss is certainly an optimist—he's come out wearing sunblock - *Australian commentator in the fifth test of the 5-0 series whitewash in 2006-07*

Gatting at fine leg - that's a contradiction in terms - *Richie Benaud*

It couldn't have been Gatt. Anything he takes up to his room after nine o'clock, he eats - *Ian Botham on the Mike Gatting barmaid scandal*

I can't really say I'm batting badly. I'm not batting long enough to be batting badly - *Greg Chappell*

It's a catch he would have caught 99 times out of 1,000 - *Henry Blofeld*

The hallmark of a great captain is the ability to win the toss at the right time - *Richie Benaud.*

Some thoughts on marriage

Why a woman needs a husband?



Woman: I don't want to marry. I am educated, self sufficient and satisfied with myself. But my friends all say that I should marry. What should I do?

Psychiatrist: You will no doubt achieve great things in life. But sometimes things won't go your way. Sometimes your plans will fail. Then whom will you blame? Will you blame yourself?

Woman: "NO."

Psychiatrist: "yes.. that's why you need a husband.."

Turn a regular sofa into a sofa bed by simply forgetting your wife's birthday.



HOW TO CONTACT A COMMITTEE MEMBER

To contact any committee member, use the following link:

<https://www.sydneyprobus.org/member-documents/>

To view the 'member-documents' page, members must login to the website

Please use email where possible or telephone if you require urgent contact. You can find the relevant telephone numbers on the club's website.