

CHAPTER VI
THE ERRING OF YOUTH
1971–1976

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Despite being newly-armed with the prestigious credit of ‘author’ and the intense stock market grounding that went with it, there were still very few points on the compass that could lead me to make the mark I wanted. So, my immediate thoughts caused me to weigh up the pros and cons of returning to Mt Isa where I was reasonably well-known in certain quarters. And it was a small market in which I could make a greater impact and more easily carve out a business career based on my knowledge of the securities industry.

----- [Excerpt] -----

I didn’t have to wait too long. I heard hurried footsteps and a voice tinged with urgency. I turned to greet the first of our guests, whom I immediately recognized. He was a short, bumptious individual who had no intention of acknowledging my presence as I opened the front doors leading to the street. He paused momentarily on the footpath, and casting his eyes along the line of cars, he moved quickly to mine, stopped, turned, and as he directed his eyes toward me – at the same time slapping his hand on the immaculately polished bonnet – he commanded:

“I’ll take this one!”

Drawing on every ounce of innate diplomacy I quietly walked toward him.

“Dr Best, this car has been reserved for Mr Sneddon.”

He raised himself up to his full height and shouted:

“You people seem to forget that there are more of us involved in this election than just Mr Sneddon!”

“Dr Best, if you would come with me.”

Senator Durack was still waiting for his two staff to join him in the second car, so I diverted the doctor’s attention as he gravitated to the handle of its passenger-side front door.

“This way if you would, doctor.”

He was now beyond abuse as I moved swiftly to open the door of the third car in line, which was, as a point of interest, a current model Fairlane; and I'm sure a more luxurious car than he would have been issued from the car pool back at Parliament House.

----- [Excerpt] -----

Channel ITQ8 didn't have video recording equipment so each Thursday night program – I think around 6:30PM – would have to be shot live. There was no room for error, and on many occasions there was no room to manoeuvre. The camera would be set up in a stationary position and the camera operator, whose age may have soared into the low twenties, would not return until the program's twenty-five minutes were up. And although it was a commercial station, it lacked the facilities to run advertisements other than at the beginning and end.

I sat at a desk on those nights when the camera was unattended, and on the nights when I could be more flexible the camera operator would take my cue when I wanted to stand and move. It was a simple cue, and I made a point of briefing her before I began. "The cue, indicating that I'm about to stand, will be given by stating that I'm about to show viewers something on the blackboard. And if you miss what I've said, I'll begin to stand by turning on my chair and placing my right hand on the desk in readiness to push down as I assist myself to my feet. When I do begin to stand it will be slowly, giving you time to keep me in focus and on screen." Cecil B. De Mille was a bloody amateur.

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As Bill approached me there was not the usual cordial greeting I had come to know. He was clutching some papers in a hand that was now extended toward me. I took them from him. It was the supreme court writ I had been so desperately trying to evade.

"Sorry, Garth, but Vic Moffatt has been causing big problems at the courthouse over the delay in getting this writ served."

"And would he sanction your unlawful entry onto these premises?"

"Sorry, Garth. I really am."

Bill turned and left. As a court bailiff he had been given an unenviable task, but one he had executed with zealous piety. I immediately phoned Laurie to give him the bad news and to instruct him to prepare and file a defence. I needed all the time I could get, and

certainly now that I was facing delays through the withdrawal of finance. The race was far from over but the finishing line was looking far more remote than it had earlier that day.

----- [Excerpt] -----

I cut his call short. He was already aware of my growing upset. Losing composure wouldn't achieve anything. And I immediately recognized that Laurie's blunder may serve me well. There was every possibility that his conscience would cause him to bite the bullet and stand with me against Sir Arthur George. But, as to whether he really did lay down the law during a phone call to Sir Arthur, or whether he even phoned him, I'll never know for sure. Anyway, whatever transpired, the results spoke for themselves; I was none the richer.

----- [Excerpt] -----

Farewells by Candle-light

Although it was CSL securing the finance for its caravan park acquisitions and not myself personally, I was the executive chairman of the company. Any distress against me would naturally cause financiers to back away, and that's exactly what happened.

I had tried desperately to make contact with the creditor but he must have been briefed not to speak with me. Mail was unanswered and personal contact proved pointless. Naturally, I had tried to appeal to Matti long before judgment was entered but again, fruitless.

Over the years and during many of the halcyon days I enjoyed, I had divided the city – seventy for, and thirty against. It had been a combination of unwittingly getting Vic Moffatt offside at the outset and getting others offside because of the high profile I had actively developed; yet a profile underpinned by a gentle and diplomatic nature. And this attitude was expressed by many. I guess you can't help getting up people's noses when you do something different from the norm. Added to this was inherited, articulate and clearly enunciated speech with just a hint of Oxford. Now combine this with a highly creative, entrepreneurial corporate stance and you have a cocktail which the unthinking brand as "conman".

And compounding this perception can be achieved with ease; just make sure that everything you plan is planned in meticulous detail, which by necessity, often needs to be complex, and if not complex then beyond the understanding of all but those who thoroughly understand the subject matter. Unfortunately, an examination or usually a

cursory glance over this work will cause those with little or no understanding to utter: “Looks a bit dodgy to me.” This analysis, although devoid of intellectual forethought, has the remarkable effect of convincing others that the utterer is expressing a deeply considered opinion; indeed, a proclamation issued as a warning to the unwary.

To me, the greatest joy in life is to share the company of those whose mouths are in sync with their brains. Nothing worse than an open mouth and a closed brain, particularly when financial security and personal welfare is being put at risk. I was learning that the discerning few, albeit a dwindling majority in my case, were too few to save the day, or more correctly, too afraid to venture relief funds to save the fate of a man who had a powerful minority against him. Besides, there was no one in Mt Isa who would willingly stand against Moffatt for fear that their own security be put under threat, as mine was. And I could never blame them for that; he was a killer of all that is decent.

I fought to remain buoyant up to the last minute and continued to offer my share portfolio advisory service to clients who had remained confident that my financial circumstances had not been the result of an inept understanding of property and equity investment. I recall black Tuesday, 15 June 1976, so clearly. A sequestration order had been taken out and I had been declared bankrupt.

On that same day I sat in front of clients explaining my future plans. I disguised my upset well as I spoke of a brighter future for all of us. Only two small candles on my desk broke the darkness. The power had been cut just days before. One of my clients excused himself and returned fifteen minutes later with two bottles of white wine. I took four glasses from the kitchen cabinet and we toasted better days. **I had kept CSL intact by carrying all debt personally.** The caravan park project would be restarted. There was still hope.

Those two candles remained on my desk until the office was finally closed. They were lit only for the precious moments dedicated to farewelling those who had stayed with me during the good and now the bad. They were also lit when two fraud squad detectives interviewed me. Vic Moffatt was far from satisfied. Unable to believe that I hadn't hidden money away in an act of defrauding creditors, he insisted that I be thoroughly investigated. His accusations proved to be 100 percent false and the investigation was closed with these parting words from myself.

“Gentlemen, if you can wring the money out of Sir Peter Abeles and Sir Arthur George, and if not them, Barry Loiterton, I'd be very appreciative. The sooner I can get my bankruptcy annulled, the better.”

They laughed, knowing that their careers would take a turn for the worse if they ever tried. And at this stage they were well aware that Loiterton had no intention of honouring

or even acknowledging the total of \$78,000 owed to my company, Market Management Pty Ltd, or for that matter, had no intention of transferring title of the ten prime allotments that had been allocated to that company by way of bonuses. **In all, some \$228,000 – \$1.8million today – would simply vanish; and there was nothing that could be done to recover it.**

It's difficult for many to believe that there are those of us who are prepared to put everything on the line; that is, to personally guarantee the results of each step we take. At the time of bankruptcy Willy and I were living in rented premises. We had been unable to secure alternative finance on our own home which meant that the vendors had retaken possession only months earlier. Our only remaining car had been sold to fund airfares and accommodation needed to make that final trip to recover moneys owed. And the little that was left was being applied only to the essentials of living.

However, Willy and I maintained an unashamed demeanour. We would walk from our rented home to the CBD, holding hands. The Moffatts of this world were not about to take the only assets we held – our love, and the love we shared with those close to us. We were castigated for the continuous show of support we had for each other. “I saw them holding hands crossing Miles Street. Don't they have any shame?” These words were not spoken by a creditor; they were spoken by a businessman who had been a long-standing detractor of mine, and for no other reason than the success I had enjoyed and the corporate profile I had so quickly built.

Yet the height to which this young entrepreneurial poppy had grown was over-measured by the minds of Moffatt and those antagonists he had cultivated. An objective measurement of that poppy would have determined that its height had been exaggerated by the environment in which it grew. And although I had often contemplated moving to less hostile surrounds – a far larger city – there was a doggedness in my nature that caused me to dig in and fight it out. And therein lay the second element of my erring. The first... was my decision to return to Mt Isa.

I had contacted my parents and they immediately offered their home as a welcome sanctuary. They felt no shame knowing that the code of moral conduct I had been raised under would be one I had never strayed from. I said goodbye to Willy and the children. They would join me just as soon as I had re-established my direction in Brisbane. One of my creditors gave me – not lent me – sufficient funds to cover air fares and immediate expenses. And friends pledged to care for my family until they could join me.

Robin Corrie had been very wrong that day in his boardroom when he said: “... bankruptcy in this nation is no longer a stigma but a social achievement.” I would carry the scars throughout my life and even the immediate healing process would take its toll.

The illustrious owners of Kooralbyn Station, who had taken fraud to its highest plane – Spender J would match them, in time – went on to sell the Kooralbyn Valley Resort development to their financier, one of Australia’s largest finance companies, AGC Finance. It had become a case of either take over the property and the project at the owners’ price or be stuck with a sizeable bad debt. Although they walked away with a fat profit for their underhanded exploit, the greatest positive to come from it was the realization of that early vision. All that I and my sales teams had promised to our buyers became reality, and more – eventually.

The first rodeo held at the Kooralbyn Rodeo Arena attracted over 50,000 spectators and the resort’s Equestrian Centre boasted two polo fields which over the years would ensure the inflow of valuable tourist dollars. Coupled with this was revenue from the Country Club and golf tournaments, the Tennis Villa with its lodges and eight courts, the Bowls Club and clubhouse. But it would be a subsequent sale of the resort to Japanese interests in the mid-1980s that saw the establishment of The Kooralbyn International School, known as TKIS. In the main, it catered for Asian primary and high school students who enjoyed the student accommodation, horse riding and raft racing on the lake... and yes, an excellent education. Then came the international standard hotel.

At that stage I hadn’t read the history of Charles Goodyear, but I certainly felt the meaning of his words, when he said:

“Man has just cause for regret when he sows and no one reaps.”

Unfortunately, the credits we build in life are not always readily saleable, nor are they recognized as collateral in a financier’s eyes.

I last saw Barry Loiterton on *60 Minutes* many years later. A lengthy segment on this television program was exposing allegations of his fraudulent marketing of a property development in Fiji. By all accounts pensioners had been ripped off and the retirement resort had stalled. But somehow I feel sure he would have moved on, always living the life of a high-roller.

As the years passed, the former owners of Kooralbyn who had deceptively bulldozed their way through, became honoured by our nation for their services to it, and humanity at large. They would become Sir Peter Abeles **AC** and Sir Arthur George **AO** – such are the injustices of life.

And, less than twelve months after that fateful day in June 1976 I was walking briskly through the domestic terminal at the Brisbane airport when I noticed Moffatt. He was standing still with his eyes fixed on me. He stood to one side to avoid either a confrontation

or a collision, neither of which I would have entertained, but nonetheless, his decision was timely. Our eyes locked as I nodded in recognition of his presence. He didn't acknowledge; just stood there, a sad little man trapped in his embittered world.

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