Governor Arthur Phillip and British military (19 officers and 191 marines) with convicts (717 including 108 women) founded Australia on January 26, 1788. [http://members.iinet.net.au/~perthdps/convicts/1stfleet.html](http://members.iinet.net.au/~perthdps/convicts/1stfleet.html)

From 1788 there were over 3,000 convict sites established in Australia – nothing to be proud of!

It took more than 100 years for Australia’s convict involvement to finally end with the 1886 closure of the Fremantle convict prison. So why are we celebrating Australia Day today? If we need a day to celebrate our ‘foundation’ as a nation then it would be better to celebrate Eureka Day, December 3, 1854.

In June 1790 John Macarthur (1767-1834), a Lieutenant in the New South Wales Corps, and his wife, Elizabeth (1766-1850), and sickly child arrived in the Colony of Port Jackson aboard the Second Fleet after a journey of 6 months.

John Macarthur’s life was full of controversy involving major disagreements with the Governors of the Colony. He was involved in forcing the departures of Governors Arthur Phillip (December 1792), John Hunter (1795-1800), Philip King (1800-1806), William Bligh (1806-1808) and Lachlan Macquarie (1810-1821).

John Macarthur spent many years in England involved in two English court martials. He spent 4 years (November 1801-1805) contesting his own court martial; then leaving the Colony in March 1809 for 8 years in England initially supporting Major George Johnston at his court martial for his role in the Rum Rebellion which resulted in Governor Bligh’s deposition.

By breeding pure merino sheep John Macarthur was responsible for the initial growth in the Colony’s fine wool industry. Because of his pure merino sheep monopoly he was despised by many other wool growers.
John Macarthur’s fellow pastoralists judged him much less flattering than popular history has done. After John Macarthur’s death in April 1834 there was scarcely a notice in the Sydney papers and no memorials. This was despite fine Merino wool then being Australia’s major export and about 2 million sheep in Australia.

In 1831 NSW’s population was about 51,000 of whom 21,000 were convicts. In 1837, the population had increased to about 97,000 with 32,000 convicts. Most of the 65,000 free settlers were either in the military or had been in the military or been convicts.

With the 1838 British abolition of slaves in all colonies many countries such as the United States and Jamaica became less attractive to English farmers. Australia’s access to cheap labour, with a steady flow of released convicts, made the Australian Colonies a more attractive destination than the United States for farmers wanting to make a new life on their own land.

Victoria was first settled on November 19, 1834, when Edward Henty (aged 24 years) arrived at Portland Bay.

Officially Melbourne, founded 1835, was not a convict settlement. In November 1836 the District of Port Phillip's European population was 324, by 1839 the District's population numbered 5,822 (Melbourne’s about 3,000) and by 1840 10,291 – a significant increase partly assisted by ‘Bounty’ immigrants, a scheme abandoned in 1841. At the March 22, 1841 census Melbourne’s population was 4,479 – 2,676 males and 1,803 females.

During the 1840s the Port Philip District accepted many ex-convicts from Van Dieman’s Land and shipments of convicts with conditional pardons from Britain. They laboured on public works, in spite of opposition from the new Melbourne Town Council (founded December 1842); others were sent to work on pastoral properties beyond Melbourne.

By 1844, apart from the squatters, most settlers involved in the Port Phillip District commerce and trade were strongly opposed to accepting convicts. Despite this the British Home Government wanted to still ‘foist a semi-diluted felony upon the district, in the form of conditionally pardoned convicts from the penal dépôts in England’. (Garryown, Page 908). In addition Garryown (Page 907) ‘explains’ that by 1844 the English dominated administration in Sydney had imposed property taxes in and about Melbourne which caused great concern.
By 1850, within 15 years of settlement, about one-quarter of the men in Port Phillip were ex-convicts.

Since Melbourne was founded in 1835 there have been three major political events which have shaped the State of Victoria and Australia to make it what it is today:

1. **Separation of the Port Phillip District (Victoria) from New South Wales** – July 1, 1851 – the **Separation Association** (formed June 4, 1840) was strongly opposed to convict labour and convict settlement, and English military administration from Sydney,

2. **The Eureka uprising in the Victorian goldfields**, December 3, 1854, and subsequent 15 ‘Not Guilty’ verdicts involving the Melbourne legal establishment many of whom had been vocal supporters of the **Separation of Victoria** and opposed to the oppressive English military administration, and

3. **Federation of Australia**, January 1, 1901 – making it possible for Australian’s democracy which is today run from Canberra – Australia’s greatest self-made disaster. (I first went public on the issue of Canberra as the Federal Capital on March 3, 1998 at The Melbourne Convention - Federation: into the Future in my paper: **The Asian Crisis means we need major change for Australia - if not, we need to destroy the Federal System of Government as we now know it - and start again!** http://www.roymorgan.com/news/papers/1998/19980601 – I am pleased former Prime Minister Paul Keating now agrees with me – it took him a while, however better late than never!

It was the Victoria’s gold discovery at Clunes in June 1851 which changed forever Australia and the small rural Victorian community, with thousands of young people, mainly men and many ex-convicts, flocking to the goldfields around central Victoria from all parts of the world. Victoria was a male dominated society with employment opportunities for women limited to domestic services, shops, schools and hospitals.

*The First Ninety Years* describes 1850’s Victoria as follows: http://www.roymorgan.com/resources/pdf/papers/20070801.pdf

“The roads were anything but safe for solitary travellers…and crimes against persons and property were frequent enough at the goldfields, but when one remembers the vast influx of immigrants; the inefficiency of the police force;
the feeling of unrest developed when a large number of people abandon their usual pursuits for such an occupation as gold-seeking; and the crowds of ex-convicts who made their way from Tasmania and New South Wales, one is struck with admiration and astonishment at the peaceable manner in which most of the cosmopolitan arrivals settled down as colonists.”

Following Victoria’s gold rush and the subsequent 15 ‘Not Guilty’ Eureka verdicts in the Victorian Supreme Court, Melbourne boomed with a large, in some instance trained, labour pool eager and willing to create real wealth – some would say a very different Australia and Victoria than we have today!

Melbourne, with New York and Paris, in a short number of years was created as one of the great cities of the 19th century. Melbourne’s population in 1850 was 20,500 by 1880 it was 281,000.

Today we are not one of the world’s great cities, although a great place to live and visit for a holiday! So where does Melbourne and Australia go today?


Australia is booming thanks to China’s demand for our minerals, in particular iron ore and coal. But all is not well, while the Australian Bureau of Statistics (ABS) says we have 5.5% unemployed Roy Morgan says the figure is 6.8 % – that is not all, 8.2% are underemployed – so the ‘lucky’ country has 14.9% (1.706 million) Australians in the workforce unemployed or underemployed – far too many. [http://www.roymorgan.com/news/polls/2010/4454](http://www.roymorgan.com/news/polls/2010/4454)

A fact ignored by Prime Minister Rudd and Deputy Prime Minister Gillard. We are a ‘stupid’ country to tolerate such a high unemployed and underemployed number while our mineral exports are ‘booming’.

Slightly more Australians agree (44%) than disagree (39.5%) that BHP Billiton and Rio Tinto should be able to merge their Iron Ore operations in Western Australia while 16.5% can’t say. (These results are according to a special Roy Morgan telephone survey with an Australian wide cross-section of 659 respondents aged 14+ conducted on the nights of January 13/14, 2010.)

The Roy Morgan survey asked: “In recent months Australia's largest mining companies, BHP Billiton and Rio Tinto, have proposed merging their iron ore mining operations in Western Australia to create a joint venture covering all current and future Australian iron ore mining assets of the two companies. In your opinion should BHP Billiton and Rio Tinto be allowed to merge their iron ore mining operations in Western Australia?”

The political ‘sleeper’ for those wanting this merger to go ahead is ‘foreign ownership’ and the sheer size of the combined entity and associated reduction in competition. The following are examples of some of the comments.

“It would become a monopoly, creating a lack of competition.”
“Because of the virtual monopoly they will have.”
“It will become too much of a monopoly and that makes me worried.”
“I don’t like things being joined together as one. I think there needs to be competition for things to be fair.”
“I don’t like things being in just a few hands.”
“It will become more of a monopoly and it wouldn’t be good for the economy.”

**Change is needed by all** – Local Government, ‘yes’ the Glen Eira Council, the Melbourne City Council, the State Government and the Federal Government.

We need fewer and overall lower taxes NOT more taxes or overall higher taxes – put up the GST but only if payroll tax and other taxes that discourage employment are abolished – it is essential to create more jobs, We need to change ‘work practices’, ‘Fair Work’ needs to be ‘Fair Choice’, We need to stop the cash society, We need to stop corporate rorts, We need massive infrastructure expenditure on ports, roads and railways, We need to export finished goods – from many new industries, etc
The BHP Billiton/Rio Tinto merger must **not** go ahead unless their duopolistic control of the railways and ports in the Pilbara is made an independent authority – then all Australians will benefit from the merger not just the BHP Billiton/Rio Tinto shareholders, employees concerned and higher taxes.

And at the same time the Federal Government needs to cut out the union supported labour market (IR) ‘rorts’ which keep holding Australia back – if not unemployed and under-employed in Australia will soon be 3 million.

If neither is done Australia’s boom will soon be over, like the initial boom in merino wool which began more than 200 years ago and today is an industry which makes only a relatively small contribution to Australia’s economy!

**References** (Available on Roy Morgan website www.roymorgan.com):


**Other References:**


