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## THE FIRST FIFTY YEARS OF AGRICULTURE IN NEW SOUTH WALES.

BY

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### 15. EXPANSION, 1831-1842—SOME FOOD, AGRICULTURAL AND ECONOMIC PROBLEMS OF THE PERIOD.

**INTRODUCTORY SURVEY: WHEAT PRICES AND THE GRAIN TRADE: THE CONTINUING PROBLEM OF SELF-SUFFICIENCY: OVERWHELMING INCREASE IN POPULATION: FEARS OF FOOD SHORTAGES: DIFFICULTIES OF FARMING: GOVERNOR GIPPS AND THE COCKATOO ISLAND SILOS: PRECEPTS OF CONSERVATION: HIGH PRICES AND MONOPOLY: BOOM CRISIS AND DEPRESSION, 1839-1842: THE POSITION OF THE COLONY IN 1843: RECOVERY (1844-1851).**

#### INTRODUCTORY SURVEY.

For purposes of convenience the events and agricultural problems of the approximate ten years period (1831-1842) are being considered in this chapter, but it should not be thought that there is anything particularly to distinguish this period in its purely agricultural affairs from the events of the years before 1831 or immediately subsequent to 1842. The history of the New South Wales settlement throughout the whole of the fifty years period which is here under discussion was one of constant change and progressive development, but with certain underlying problems and difficulties continuing throughout. The issues that may be dealt with are those only which have direct relation to agricultural matters or which may help to explain developments that are elsewhere discussed. A brief mention, for example, has been made of exploration, but it must be emphasised that exploration was the great prepossession of the Australian mind, from the passage of the Blue Mountains in 1813 until well into the period of the goldfields discoveries. In 1838 the expectation of vast discoveries yet to be made agitated all sections of the population. The fringe of the continent had by then become known but the interior was still almost a complete enigma.

Gradually there came about, as one finding succeeded another and progressive extension of settlement occurred, a realisation that Australia was a rich field for colonisation, and not merely a dumping ground for convicts. This change of view was due partly to the changed conditions in Australia, but chiefly to the altered condition of the population in England itself, where the close of the Napoleonic Wars and the dislocation of industry caused by the introduction of machinery had brought about widespread unemployment and destitution. Some relief was essential and statesmen became converted to the idea that emigration was not necessarily a serious weakening of the parent State, but a desirable thing if the means to carry it out on a large scale were to be found, whence came the project of a settlement in Western Australia, the foundation of South Australia, and the conversion of New South Wales from a penal settlement into a true colony. The full recognition of the new policy was of slow growth but it is of some importance to note its beginnings as these have been discussed in previous essays in this series. It is necessary also to make it clear that whereas in the early years, New South Wales was the only effective settlement in the whole of the

Continent, by 1842 and the close of this fifty years of first development, settlement was scattered widely and other States were in embryo development, some almost ready to be separated from the Mother Colony.

Mention has been made previously of the beginnings of the squatting onrush into the interior and of the tremendous expansion of settlement which followed in its wake, which was to lead to the rapid settling of the Port Phillip district to the south and elsewhere on the coast and hinterland. The period from 1813 until 1851 and the discovery of gold is essentially one of progressive pastoral development, the possibility of an effective agriculture being swamped, meantime, by the momentum of this development and sidetracked by its counter-attractions. It will help to explain the difficulties of agriculture in the years between 1831 and 1842, if note is taken that it was precisely in this period that the pastoral occupation of the interior received its most considerable acceleration.

At the time of Governor Macquarie's departure from the Colony as a disappointed, weary and disillusioned man (1821), agricultural prospects both in Van Diemen's Land and New South Wales had appeared reasonably hopeful and a mere matter of time before both settlements would become independent of outside assistance in the matter of food supplies. This was in due course to prove the case with the Southern settlement but not so in New South Wales. Taking the year 1821 as a starting point, the breadth of land devoted to tillage in New South Wales proper was 17,327 acres, increasing in 1825 to 45,514 acres, at which time Van Diemen's Land had only about 21,000 acres in cultivation. In 1830, the cultivated area in each colony was about 55,000 acres, but in 1838 there were 108,000 cultivated acres in Van Diemen's Land compared with 93,000 in New South Wales. Whilst there was this difference in respective areas cultivated, it should not be overlooked, also, that the actual yield of crops in the Southern settlement was twice that of New South Wales and more regular besides. The total acreage for all agricultural purposes as reached in New South Wales (including the district of Port Phillip) in December 1841, amounted to 115,130 acres, including 58,605 acres under wheat, 25,004 under maize, 5,423 under barley, 5,892 under oats, 4,027 under potatoes and 15,257 under oats and sown grasses for hay. (New South Wales Magazine, May, 1843, pp. 198-202.)

Macquarie had regretted that of the lands of which he had disposed, only one acre in twenty was given over to the plough. His immediate successors, however, were to see the proportion reduced to one in fifty, and a few years later to one in seventy and even less. It is very clear that in these years of preponderating pastoral development, all forms of farming, market gardening and dairying were alike treated with neglect. All through these years of the 1830's, New South Wales not only imported breadstuffs, but vegetables, preserves, butter and other products, some, if not all, of which might well have been produced internally within the Colony. If the conditions of the times, however, be carefully analysed it is understandable why agricultural pursuits should have ceased to have held any attraction for the more enterprising settlers, who almost all turned to the pastoral life with its freedom and infinite possibilities. Although farming continued to be followed it was without enthusiasm, in the end becoming the preserve of the small settlers only, men without capital sufficient to enable them to obtain and stock large grants of land and who no doubt would very gladly have abandoned farming altogether if suitable opportunities had offered.



CIRCULAR QUAY, SYDNEY, 1898.

At the time of Phillip's first landing in 1788 the head of Sydney Cove presented an appearance similar to the present bays of Middle Harbour; expanses of sandy beaches alternating with oyster-covered rocks. The waters extended as far as Hunter-street and all the land from the Exchange down to the present wharves was one unbroken sheet of salt water. After Hospital Wharf and the jetty at the mouth of the Tank Stream had been erected, nothing further was done in the shape of permanent landing facilities until 1810, when the Market Wharf in Cockle Bay (Darling Harbour) was constructed and made available for public use. Until 1824 all wharves built were the property of the Government and were strictly controlled with a view to preventing the escape of convicts to the shipping in the harbour, but in that year permission was given to one, Robert Campbell, to construct at the foot of George-street, what became the first private wharf in Australia. This wharf was soon followed by others which caused a certain congestion and in 1836 a committee of the Legislative Council reported: "In consequence of the gradual deposit of sand and mud which have been accumulating for years past at the head of the Cove, the water frontages adjacent thereto have become unavailable to the occupiers of the land abutting thereon . . . the quantity of land which will be reclaimed from the water by the proposed wharf will amount to about 2 acres" (or about 1/5th of the total area eventually reclaimed).

The head of the Cove formed a true semi-circle, and when in 1837 a sum of £5,000 was voted by the Council "towards the expense of forming a semi-circular Quay," it soon became the custom to drop the prefix and refer to the project as the Circular Quay.

In 1838 tenders were called for building a steam dredging vessel of 351 tons which was named the "Hercules" and which commenced operations during 1840. In the meantime, the Sydney Herald reported in February, 1839, that a gang of 180 men (in irons) were engaged making preparations for the commencement "of this splendid work" by tipping stone and earth with hand barrows into the open space of water in front of the Customs House.

The new Quay was completed towards the close of 1841, but the continuous growth of the city has necessitated a series of alterations and additions, notably in the eighteen fifties and eighties (the approximate date of the photograph), which still go on in our own day.

(cf. "Historical Notes on Government House Domain"—J. F. Campbell in R.A.H.S., Vol. 17; "The Cyclopaedia of New South Wales" (1907); "Old Sydney"—J. H. Watson; "A Century of Sydney Cove and the Genesis of the Circular Quay"—R.A.H.S., Vol. 1 (Mitchell Library).

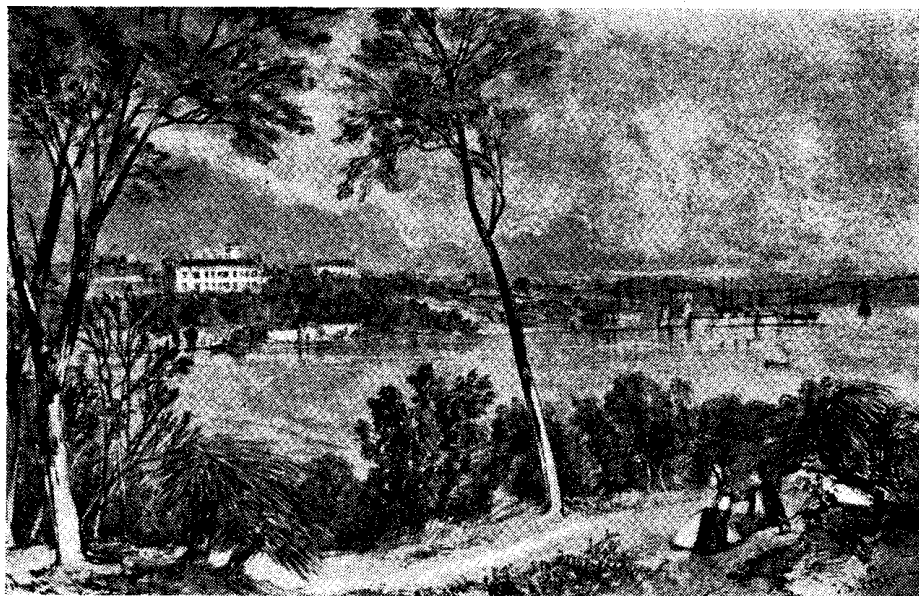
It will assist an understanding of the general position, as it was at the beginning of the period which is here being surveyed, by noting a petition addressed to Governor Darling by the leading landholders of the day, on the eve of the Governor's departure from the Colony (1 September, 1831). New South Wales was then emerging from a period of depression, the year 1831 being the last of the "four terrible years, 1828-1831." The Petition is an appeal against the continued levying of taxes on the unlocated grazing lands of the interior, but incidentally sets out some of the reasons which appeared to the colonists responsible for the backwardness of its agriculture (1) :

"The principal landholders of N.S.W. . . . call attention to the distressed state of the landed interests of the Colony . . . the low prices of every article of agricultural produce . . . and the daily sacrifice of Estates, sold under Executions at Law. . . . To your Excellency it is well known, from the experience you have had in New South Wales, that from many local causes a very small portion of this Colony can be cultivated with advantage and that the great mass of our Lands must be employed in grazing. We have no foreign markets accessible to us to take off the production of our soil. With South America we have no articles of interchange. In Asia, the habits of the people are too indelibly fixed and labour is too cheap to admit of any beneficial export and Europe is too far off to allow us to enter into competition with the inhabitants of their own markets. These causes are permanent in themselves, and we cannot look forward to any reasonable period of time when they will cease to operate. Our only market, therefore, for our agricultural productions, is confined to our own consumption; and this must of necessity be so limited for many years to come that under ordinary circumstances we shall always produce a good deal more than we consume and the selling price of the article must frequently fall below the cost of its production. That this is not an unfair statement of the case may be at once proved by reference to the present state of our market. Although the Colony has been suffering under an unprecedented drought of three years' continuance, the price of wheat is only 4s. a bushel, of maize 1s. 6d., and of tobacco cured in the leaf 6d. If the ensuing harvest be favourable, which we have every reason to anticipate, the prices of these articles must fall below the cost of producing them, and a large portion must remain upon the hands of the grower without sale at any price. Such prospects are very discouraging to farmers who are settled along the coast and within a moderate distance of Sydney, but to settlers in the interior they act as a complete prohibition to agriculture. For the expense of carriage across the mountains, or from any considerable distance by land, would amount to more than the value of the article when delivered at Sydney, the only market of consequence in the Colony. . . . The western lands can therefore only be used for grazing, not tillage. Sheep which four years since sold at £4 are not now worth 4s. . . . There are no buyers for cattle. . . . There is stagnation of grazing. . . . Butcher's meat is selling at 1d. per lb. . . . the average price of wool is 1s. . . . It therefore becomes evident that a grazing establishment must be a losing concern and evident that each succeeding year will depress the market still more from

the natural multiplication of their species. Assuming that prices remain as they are, it will be found that the profits of grazing under the most favoured circumstances are already much beneath the lowest rates of interest for money, and that land cannot afford to pay rent."

In this petition there is present the same helpless acceptance of the Colony's inability to satisfactorily export its agricultural produce and thus help to pay for imports, as it has been previously noted was the concern of the settlers in 1810, though now wool is available for shipment abroad at the bedrock price of 1s. per lb. There is the always present optimism concerning the Colony's potentialities to eventually provide more than enough food for its subsistence, if only something could be done to overcome the various obstacles preventing progress and expansion, and over which the settlers themselves have no control—the sense of economic frustration so familiar in all the contemporary newspaper and other references to the first fifty years of settlement. The question is now the renting of lands, it will be later the rise in minimum upset prices at which it will be sold, and finally it will relate to the inability of the "squatters" to maintain flocks and herds without a plentiful supply of cheap labour.

The temporary embarrassments to commercial grazing mentioned in the petition were destined to soon lift, however, and in the "bustling years" which followed, grazing expanded in unprecedented fashion, with rising prices for wool and livestock, merging into the squatting occupation of the interior, and culminating in the financial depression of 1843. With affairs of agriculture, however, the situation as expressed in the 1831 petition continued much the same in the intervening years to 1842-1843, though where in 1831 there is a reference to over-production of foodstuffs being responsible for an overflowing of the internal market, the position as actually reached in the 1840's is a recognition that the Colony must look elsewhere for its supplies, for by this time a rapid and completely unexpected rise in population together with the chaotic expansion of settlement in all directions had completely overwhelmed the limited agricultural resources available. This last is sufficiently well illustrated in a quotation from the "Australian" (21/1/1840), referring to the establishment of a Colony in New Zealand, in which the significant point is made that New Zealand "will probably be the future granary of New South Wales," and that "we shall never know what it is to be distressed for wheat or corn generally." "In short," considered this newspaper in 1840, "when we look at the whole New Zealand question, we are convinced that our readers will agree with us that with respect to the Mother Country and this Colony in particular, it is the most important and auspicious settlement that Great Britain could have made in the Southern Hemisphere." The general idea here put forward, it is clear, was that New Zealand would produce foodstuffs for New South Wales which would be paid for in sterling, whilst the parent Colony would continue as heretofore to rely on its livestock industries. Great Britain would provide the necessary link in this three-way trade. Previously, similar hopes had been held for Van Diemen's Land, Otaheite and various other potential points of food supplies.



NEW GOVERNMENT HOUSE, SYDNEY.

*A portable jointed canvas tent of four rooms, imported by Governor Phillip and erected at a site on the east side of the Tank Stream, formed the first of Australia's vice-regal residences. This was soon replaced by a structure begun on May 15th, 1788, at the present intersection of Bridge and Phillip streets, Sydney, and in a despatch dated November 2nd, 1832, we find Governor Bourke writing:*

*" . . . I now proceed to report on the condition of the old Government House as it now stands; upon the expediency of erecting a new House on a different site, and of giving up to the public, for the purpose of quays, wharves and store-houses, a portion on the eastern side of Sydney Cove, now enclosed within the Government Gardens. In the first place, I have to observe that the present Government House in Sydney is a collection of rooms built at different times by successive Governors, and is in consequence not only extremely inconvenient and unsightly, but in such a bad state of repair as to demand the immediate expenditure of a large sum of money to render it habitable and decent. . . ."*

*Bourke's representations were not without effect and the erection of the new Government House, which forms the principal object of the present sketch by the artist John Skinner Prout, was commenced in 1837.*

*The following description by John Rae accompanies the original edition of Prout's Australian sketches: "From the view it may be seen that the building is of the florid English or perpendicular Gothic style of architecture. The plans of the main body of the house were prepared by E. Blore. The external walls are of rubbed, light-coloured sandstone, while the internal walls are of brick. . . . The main body of the building is 170 ft. long and 44 ft. 6 inches high . . . on the eastern side is the suite of public rooms, consisting of the ball room, 50 ft. by 28 ft.; the drawing room 40 ft. by 28 ft.; the ante-drawing room, 15 ft. by 28 ft. These rooms . . . may be thrown into one room 105 ft. long and 28 ft. wide. The length of the dining room, lying transverse to the rooms just described, is 45 ft., and its breadth 26 ft. . . . the building is surmounted by a tower, 20 ft. square and 70 ft. high from the base, which carries a flagstaff of 50 ft. in height. . . . The castellated building rising from the water, immediately below Government House, is the Government bathing house, erected by Governor Macquarie, which, like the fine stables built by the same Governor, is going rapidly to decay."*

*The new House was opened by Sir George Gipps on the 24th May, 1843, with a ball and supper in celebration of Queen Victoria's birthday*

Later it will be shown that whilst prices for agricultural produce were subject to extreme variations during the 1830's, overall, the general cost of living, and incidentally the price of foodstuffs, rose with increase in population. Allied with these tendencies the price of agricultural and pastoral labour and related costings also rose in proportion, particularly when in 1838 the assignment of convict labour came to a halt (<sup>2</sup>). Over the greater part of the period the Colony was quite unable to support itself. Foodstuffs were continually imported, the importations depending upon speculation, and not upon any fixed policy. It was thus inevitable that at times, and more especially in lag periods between the recognition of a shortage and its correction by imports, prices of flour and bread rose as the supply fell off and the demand was felt. This explains the ever pressing fears in the controversies of the time, whether these shortages were "feigned" or "real," and the bitter opposition to the monopolistic position of the millers and their "allies the bakers." There was no price control over the cost of bread involving the fixing by Government of fair profits by bakers, the prices to vary in accordance with ruling prices for flour, such as had been adopted in the Macquarie years. The economy remained based upon open systems of contracts and tenders, and the free play of supply and demand forces. When Gipps attempted to interpose on behalf of Government in this field, he was severely reprimanded by his superiors at the Colonial Office. Under these circumstances there was at all times a large element of luck and haphazardness in connection with food supplies, for whilst the theorists held that deficiencies would always correct themselves in the ordinary nature of trade, it must be remembered that the Colony was some thousands of miles distant from alternative supply centres. Furthermore, whereas in the 'twenties and early 'thirties Van Diemen's Land had been a considerable help in supplying the needs of the Colony, the respective roles were by 1835 becoming to some extent reversed, New South Wales supplies sometimes being required in the southern colony to avert a threat of famine.

In the earlier years, it has been interesting to note almost a sense of inferiority on the part of New South Wales colonists, when comparing their position with that of their counterparts in Tasmania. Several references to this can be found in reports of the Agricultural and Horticultural Society, and there are very good articles in the "Sydney Herald" (15th October, 1832, and 15th November, 1832). The change in position can be appreciated by noting the almost proud sense of achievement with which the "Herald" paints respective trading positions in October, 1832: "Although Van Diemen's Land . . . pours enormous quantities of wheat and potatoes into the New South Wales . . . market . . . balance of trade is with New South Wales in the matter of beef, bacon, port, fruit, etc." (S.H. 15/10/1832.) In 1835 the

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*The artist Prout was born in Plymouth in 1806 and died at Camden Town, near London, in 1876. He arrived in Sydney in 1840, visited Tasmania in 1844-5, Victoria in 1846 and returned to England in 1850. His Book of sketches, including this view of the new Government House, was published in 1842, and bears an apology for the quality of the local paper on which it had to be printed, through the delay in delivery of supplies from England.*

(cf. R.A.H.S. Vol. 7, p. 379—"Notes on Australian Artists," by Wm. Dixon; R.A.H.S. Vol. 17, p. 123; N.S.W. Magazine (1843), pp. 354-6; Book of Sketches of Sydney by J. S. Prout (1842); "Government Houses of Australia—Past and Present"—M. Dennis in "The Lone Hand," March 1, 1909 (Mitchell Library).



difference in attitude is quite noticeable, as this illustration from a further report should show: "We perceive that the Commissariat at Hobart Town has issued proposals for the contract of beef and pork to a large amount . . . . The quantity required is 175,000 lb. of salt beef and 30,000 lb. of salt pork . . . . There was a time when it was supposed that this Colony would depend for all her supplies upon Tasmania. It now appears that Tasmanians depend for all their food on this Colony . . . . We cannot say we are sorry to see this as it brings profit to New South Wales." (S.H. 16/4/1835.) In the following year, the respective roles of supplier and supplied may be seen to be established, by noting this brief reference from the Van Diemen's Land "Colonial Times" (19th January, 1836): "The price of provisions is rapidly advancing. The Government have bought up all the salt provisions for the convicts, at most exorbitant prices, and the colonists are almost without food. What will become of the poor in the winter we dread to contemplate. They must manage to commit some crime so as to be transported to Sydney, or they will starve." (S.H. 4/2/1836.)

In exigencies of frequent shortages, considerable importations of grain were unavoidable to avert famine. Contracts by Government were open, tenders being supplied either from local or foreign sources, whilst merchants independently dealt as freely as they wished. References to these increasing imports of grain and other supplies are scattered through the pages of the newspapers of the period, a typical note being one under "*Domestic and Miscellaneous Intelligence*," appearing in the "Australian" (9th October, 1835): "Flour has this week again fallen, the consequence of the favourable accounts from the country, as well as of the late importations by the American vessels, etc. We hear that a great deal of rain has fallen within the last week in the Bathurst and Argyle districts, and that everything promises well for the ensuing harvest. A gentleman lately arrived from India, of the name of Porter, has contracted with Government for the supply of the quantity of wheat advertised for in the Government Gazette. The "Kennaird," in which the Directors, etc., of the New Bank are coming out, is to go to India for the purpose of loading with it. She is a fine ship of 500 tons, and this is her first voyage." An enormous expenditure was in this way involved in imports, not alone of foodstuffs, but of other goods as well, the item of duties and other charges on spirits alone involving £100,000 per annum in the New South Wales of 1833, and £50,000 out of a total revenue of £87,000 in Tasmania in the same year. (S.H. 14/4/1834.)

In the period 1810-1821 it is quite clear that large-scale imports of foodstuffs at times knocked the bottom out of the local market. Then the Commissariat was the only buyer of any account, and the public market was no more than an occasional ancillary avenue of disposal. Attempt has been made to trace the influence of further importations of grain in the 1820's, and to sketch the controversies involved in duty free importations versus protection of the native agriculture. In the 1830's, similar influences may be accepted as accounting for the more or less constant depression of agriculture, although it is not as easy to follow the movements. Prices seem on the whole to have fluctuated around the 7s. per bushel mark for wheaten grain, occasionally rising to 15s. and more. Cheap bread at any price would appear to have

been the prevailing economic axiom, necessity proving that the Colony would starve or be held to ransom by a few profiteers if sole reliance were to be placed upon local supplies. But whereas in breadstuffs this would seem to have been the position, prices for other foodstuffs, including fruit, vegetables and meat, should on the whole have been profitable to the grower. Here again, however, it would not be safe to draw any general conclusions, for the evidence is sometimes conflicting and issues simply cannot be readily untangled from market reports and the available sources. It is essential, nevertheless, to note in due course evidence of these fluctuations in prices and market supplies, since at all times in the early Colony these were of the first importance in undermining the stability of the local agriculture.

In the Sydney newspapers of the 1830's—nowhere else can quite the same impression be gained—the day by day growth of the Colony can be closely followed. Side by side with voluminous trade reports showing satisfactory sales of hundreds of different lots of wool, all with their separate brands, details are given of other incidental exports. The newspaper columns schedule, otherwise, imports of spirits and tobacco, advertisements for imported luxuries and fineries, freight charges, rates of insurance, projected departures and arrivals of sailing and even steam ships—all this flourishing trade and commerce resting upon the firm foundations of fine wool growing and the new-found wealth attaching to it, with here and there an occasional reference only to market prices of foodstuffs and farming activities. Advertisements can be noted for the sale of “stations of 10,000 acres, well watered and capable of carrying 5,000 sheep,” of auction sales and tenders for stock, all symptomatic of the impact of grazing on the economic life of the Colony and bearing a close similarity to the types of advertising which figure most prominently in the country press of the present day. It will suffice if a few random illustrations are taken by which to show the general position. From the “Sydney Herald” (26 January, 1837): “For sale: 8,000 acres of land, 3,000 ewes, 400 head of cattle, etc., 100 miles from Sydney . . . 200 wethers, 250 ewes at Bathurst . . . 300 sheep culls at the Upper Hunter . . . 1,500 sheep, the finest in the country . . . 5,000 acres, 5,000 sheep, 500 head of cattle—lowest price £10,000 . . . Wanted to purchase, 1,000 ewe lambs, 6 months old.” From the “Australian” (20 November, 1835): “For sale . . . a most desirable farm of 2,240 acres situated on Wallis Creek—14 miles from Maitland . . . quite new, and about 60 acres are cleared and under cultivation . . . The farm is constantly supplied with good water in the driest season, and well suited for a sheep or cattle station.” From the same newspaper (18 January, 1840): “*To Graziers*: The undersigned are willing to contract with Graziers for the purchase of ten thousand wethers, from three to four years old, to be delivered on the Murrumbidgee or Maneroo Plains, between the months of January and July next. Tenders stating price and terms will be immediately attended to . . . address to Smith and Salmon, Lower George street.” Even to-day, dealings as large as these would be considerable ventures, but the references, in all directions, furnish proof conclusive of the extraordinary expansion that was taking place, and it has already been noted how all classes were participating in this surge into the interior. In point of fact, the 1830's have to be considered as a period in which at first slowly, and then devastatingly, a grazing complex swept through the Colony. An export staple was found, and after the temporary setback of 1828-1831, all considerations

of agriculture were overwhelmed by the vast herds and flocks traversing the Colony, hundreds of miles in every direction and finally spilling over into Victoria and Queensland.

Such a position was inevitable when, as the "Sydney Herald" recorded (21 December, 1837): "Money from Great Britain and India will pour into New South Wales ere long . . . the resources of the Colony are rapidly becoming known to all parts of the world including America . . . As in all probability the revival of trade in Europe and America will cause the price of wool to increase, the settlers only require patience and forbearance to carry them successfully through their difficulties . . . The settlers have everything in their favour, even in these dark looking times. Capital vested in public bodies and in the hands of thousands of private individuals from all parts of the world is about to flow into the Colony . . . We may note also, in proof of a similar opinion being entertained in England, that it is stated in late London papers 'that unlimited capital may with safety be invested in horses, cattle and sheep in New South Wales.'" The wool trade was "the basis of the then prosperity of the Colony . . . the staple of an extensive manufacture in Britain," and it was thought that this trade "by judicious management might be so firmly established that no foreign market could compete with the Colony in the cheap growth of wool in its most valuable forms." (S.H. 13/2/1837.) It was "virtually the source of the immense wealth with which the Treasury of the Colony (was) ready to burst its iron-bound boxes."

Agriculture was, however, a secondary consideration altogether. This further viewpoint is clearly shown in the following abstracts from articles in contemporary newspapers. Thus, from the "Sydney Herald" (15 March, 1838):

"Those who possess local experience and observation are fully aware that the staple prosperity of this Colony depends on its flocks and herds . . . The flock owners are therefore entitled to a preference in the advantage of a plentiful supply of labour, for we ask what other class of colonist has so good a claim as he who invests his capital in sheep and cattle . . . the public revenue depends on their prosperity . . . Secondly, this class of settler have been the purchasers with few exceptions of the whole of the Crown lands that have been sold . . . Therefore the labour introduced should primarily be for those who purchase the Crown lands. Such, however, has not been the effect of the system hitherto adopted; on the contrary, the very persons who have paid for their labourers have been deprived of them owing to the non-existence of proper laws and regulations. The agriculturist who merely purchases a section of tillage land under the present system of disposing of free labour, may employ without restraint the very labourers, to obtain whom a shepherder may have purchased 20,000 acres of grazing land . . . The conclusion we reach is: (1) The Colonial Government and the grain-growing farmer would neither prosper in the decline of the wool growers interests; (2) the Colony would not increase in prosperity as a grain-growing Colony exporting for profit against the Continental and North American growers . . . Agriculture in this country, at present and always, must be of secondary importance . . . If labour be diverted to agriculture, the flock masters in self defence must import cheap labour from the British possessions in the East together with eastern products or cheap flour from Europe or Canada to feed their labourers."

A more balanced viewpoint than this obviously biased article is apparent in a leader from the same newspaper (24 February, 1840):

“Although the fame of this Colony, as a field of enterprise and a source of wealth, has hitherto rested principally and with justice on its pastoral character, we think its capabilities as an agricultural country have been universally overlooked and unjustly deprecated . . . . Our agriculture has gone on in an inverse ratio with our population and wealth . . . . With an increasing demand for bread, we have had a decreasing supply of home-grown corn, and the small portions of capital and industry which have been employed in the furnishing of that supply have for the most part been managed without either energy, system or skill. The natural consequence is that the wheat which ought to be carted to our markets from our fields is imported . . . . It is not only the seduction of our ‘golden fleece’ and ‘fat beeves’ which have led to our agricultural depression but another reason also is the inadequate state of the public roads . . . . It has been customary to consider the alluvial flats of the Hawkesbury and Nepean, yielding their 60 bushels to the acre, as the ‘ne plus ultra’ of Colonial fertility. . . . In the County of St. Vincent, on the property of Dr. Wilson, J.P., ‘Braidwood’ returned 95 bushels to the acre.”

But other than for an exceptional occurrence of this kind turning attention to farming, and an occasional resurgence of enthusiasm for cotton, tea, sugar cane, fruits, tobacco and wine, the key point of major attention was wool. (S.H. 28/4/1834.) Cultivation was neglected on holdings in the interior, and it was purposeless attempting to enforce farming when grazing assured so much an easier road to fortune. Governor Gipps was quite satisfied that it was impracticable (<sup>3</sup>). Thus it is that references to new farming enterprises are insignificant when compared with those concerning larger scale pastoral activities. It is, nevertheless, of some importance to observe under what circumstances new farmers were from time to time established. To some extent, an idea can be gauged by noting advertisements of auction sales of farms, appearing with those of stations and stock already observed. In the newspapers, under the heading of “Country News,” items from Goulburn, Yass, Paterson’s River, West Maitland, Wollongong and elsewhere are sometimes printed, referring perhaps to a flood at Maitland, or to the formation of a Protection Society in the same town, or to a Hunt Club at Yass (“Australian,” 21/1/1840). Little, if anything, is stated of actual farming details. More significant are advertisements in which small estates, cut up for purchase by emigrants, are placed on the market. One such is from the “Australian” (20/10/1835): “*For sale*: 3,000 acres of land to be submitted to auction. Situated 60 miles from Sydney by land and 40 by water, and within one mile of the town and harbour of Wollongong, Major Mitchell’s Line of new road passing through the centre of the estate. A steamer is shortly expected to run to this port, which will greatly enhance the price of property. The allotments will be put up in the following order: Eight allotments of 20 acres each; fifteen of 40 acres each; two of 160 acres more or less; two of 50 acres; one of 100 acres; one of 800 acres. One allotment containing 700 acres (about 500 acres of this allotment is fallen); 400 cleared and many hundred rods of fencing erected; the only timber standing is left for building and other purposes. The garden, containing 50 acres, has

been laid out and planted with many hundreds of choice fruit trees, with vinery and raspberry beds, etc. About 50 acres of wheat is now growing." Another interesting illustration may be cited from the same newspaper (20/11/1835): "*For Sale*.—A valuable herd of about thirty milch cows, now in full milk, with a connection for the sale thereof, of two years' standing; any party purchasing these will, from the profits of the business, step into the receipt of from £150 to £200 per annum. An expansive tract of several hundred acres is now leased to the inhabitants of New Town at a low rate, for the purpose of a cattle run . . . associated with this, a valuable property at Fairy Hill, New Town (not exceeding 1 mile from the New Sydney Toll Gate), a house and 9 acres . . . To market gardeners this land is invaluable, the vegetables that have been produced there have been in general estimation, and a source of no small profit to the proprietor; 100 loads of manure are already on the ground. To dairymen such an opportunity seldom offers; the present proprietor having supplied a great part of the inhabitants with milk for the last two years." Five years later, in the same newspaper ("*Australian*," 14/1/1840), there is this significant advertisement concerning the sale of another farm: "*For Sale*.—A valuable dairy farm . . . 930 acres situated on the Gundaroo Country, County of Argyle, near Lake Bathurst . . . Government having approved the new line of road to Bateman's and Jervis' Bay, within 30 miles of water carriage to Sydney, which, of course, greatly enhances its value, rendering the transit of its produce both easy and economical."

Such illustrations could be multiplied. The important point to emphasise is that when estates were cut up for emigrant settlement, it was essential that they should be either at the time or in prospect, within easy means of communication with Sydney. Thus whilst there are these advertisements of lands as far distant as Lake Bathurst, the commoner references are found to subdivisions at Maitland and in the Cumberland and Camden areas—all claiming to satisfy the requirements of emigrants. Maitland was becoming one of the major centres away from the capital, a market being there formed in 1840, and its establishment being confirmed by later legislation, as is made clear by this further note: "Act 5th Vict., No. 2—An Act to amend an Act, intituled 'An Act to authorize the establishment of markets in certain Towns in the Colony of New South Wales, and for the appointment of Commissioners to manage the same'—The sole object of the Act is to authorize the appointment of a separate market for any portion or section of a Town which may be so situated as to require one . . . It was introduced for the accommodation of the People of Maitland, a Town which consists of two portions, respectively called East and West Maitland" (4).

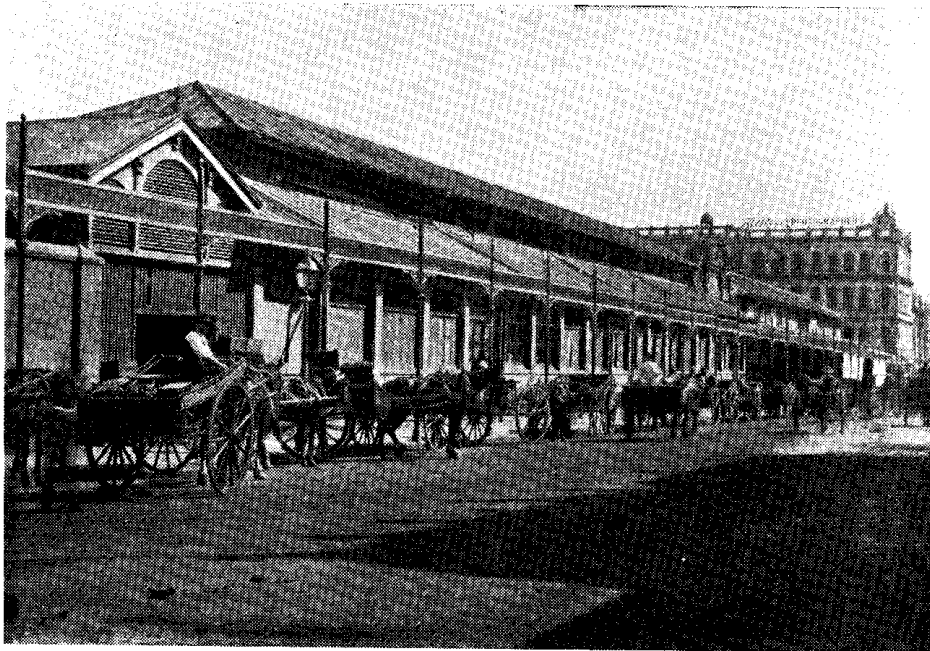
Later in this sketch other references will be made to the importance attached by the colonists to the building of good roads into the interior. Obviously, agriculture was impracticable at any distance from markets, wheat, for instance, selling as low as 3s. a bushel at Goulburn in 1842, for the simple reason that the costs involved in transporting it to Sydney rendered its marketing in the capital prohibitive. ("*Australian*," 1/2/1842.) Settlement, of necessity, had to be restricted to the coastal regions or to the older districts around Sydney. An insight into the

effects of what isolation from markets entailed may be gained from this further report by a correspondent at Port Macquarie appearing in the "Australian" (4th January, 1840):

*"Port Macquarie—Steamer Communication:* The announcement of the purchase of the steamers 'Tamar' and 'Sophia Jane' by the Agent of the General Steam Navigation Company has given general satisfaction . . . . When we state that bread is an article of luxury indulged in but by few in Port Macquarie, in consequence of the exorbitant price of flour, it will not be surprising that the inhabitants should look forward with anxiety to a regular communication with Sydney . . . . as the means of equalising the prices of the necessaries of life, and of neutralising the ill-effects of the apathy or the greediness of those purveyors on whom they are now compelled to depend . . . . The benefits resulting from improved communications will soon be strikingly apparent in this district. Port Macquarie from its situation is destined to become an advantageous entreport for the commerce of the Australian possessions in the eastern seas. Its commerce even now is considerable, and when the rich and extensive countries traversed by the M'Leay and the Clarence are occupied by a civilised and industrious people, its trade will be of first-rate importance. Its markets will soon be filled with the various commodities of every country and every climate, and thus the motives and gratifications which stimulate and reward the efforts of the industrious will be proportionately augmented. May the activity and enterprise of the settlers keep pace with our sincere and sanguine expectations."

Within this background of an exuberant pastoral expansion of the interior, of a continually weakening secondary agriculture, and of an enormous inflow of capital and population, some attention may now be paid to the main agricultural problem of the 1830's—the failure of the Colony to provide for its own subsistence. In this discussion consideration will have to be given to the fact that in these years considerable quantities of salted meats were imported into a Colony in which one of its major problems in later years was the impossibility of marketing its surplus stock. Side by side, there will be discussed the effects of regularly made imports of grain upon the local agriculture and the pernicious fluctuations of prices and markets, which hovered like a pall over all farming enterprise in the first fifty years of settlement. A brief mention will be made of the depression of 1843, and finally a short reference given to the emergence of the Colony from this depression period into the later 'forties and 'fifties. Much will need to be compressed, and, by and large, an attempt will be made to describe the position in quotations from original sources.

The period opens in 1831 with a depression and culminates in a further depression in 1843, yet in this short period there occurred an entire transformation of colonial life and the real establishment of a grazing industry. The references at the beginning are to New South Wales, but end with Australia and Australasia, and this is a measure of the significance of the period.



SYDNEY'S FRUIT MARKETS, GEORGE STREET, SYDNEY, 1880.

The structure here shown was replaced in 1893 by the New Belmore Market to accommodate the city's growing demand for market space, and the wholesale fruit, vegetable and produce markets of Sydney became concentrated in the Haymarket area.

The fruit industry dates back to the earliest settlement in New South Wales. In the historical records of the State we find that attempts were made to introduce seeds and fruit trees with the first ships that brought out people who established the early settlements, but owing to the poor facilities available and the time spent on the voyage, the plants almost invariably perished when coming through the tropics.

The first authentic record of the successful introduction of trees shows that Governor Phillip on his way out in 1788 secured seeds and plants from Rio de Janeiro. The first orchard established in New South Wales was on the site of Macquarie Place and possibly extended to the approximate site on which the Lands and Agriculture Department buildings have been erected.

Historical records show that further importations were made from time to time and that from the small beginning at Sydney Cove orchards were soon established at Lane Cove, Parramatta, Castle Hill and Kurrajong. In the Wentworth Papers, 1821-27, we find the following record giving the acreage under gardens and orchards in 1821:—

Sydney .....	310½ acres.
Parramatta .....	364¼ acres.
Liverpool .....	219¼ acres.
Windsor .....	282 acres.
Bathurst .....	4 acres.
Newcastle .....	12¾ acres.
Argyleshire .....	3¼ acres.
	1,196 acres.

The varying soil and climatic conditions were soon proved to be suitable for the growing of a wide range of fruit. In the "Sydney Gazette" of April 22nd, 1824, there is found this further reference:—

"The extent and diversity of the Australian horticulture is not so generally known as might be wished. To show to what a state of perfection our gardens are arriving, we take the opportunity of enumerating amongst the

multiplicity of production the following plants. They were kindly handed to us by one of the most proficient horticulturists of the day:—The Lisbon, Seville, Mandarins, China and Bengal Orange. The Lisbon and Common Lemon, Small round and Large oval Citrons, Limes, Brazil and Java Shadocks. Of apples, pears, peaches, nectarines, apricots, cherries and plums, many varieties are cultivated. The vine is chiefly cultivated for the table; but so many kinds have lately been introduced, that it may reasonably be conjectured employment will soon be found for the winepress. The Quinces are of two kinds, viz.: the common or Austrian, and the clustered flowered or Japanese; the former bear in great abundance. The Walnut, Sweet Chestnut and Medlar have already borne; and the Filbert and Alder are coming forward. The Black Italian, Tartarian White or Chinese, and Cape Mulberry bear in vast profusion; Gooseberries are abundant and general. The *Maspilus Japonica* or Loquette, with various kinds of Figs, yield excellent crops and the Pomegranate seldom fails. In the vicinity of Port Jackson, the Banana, Guava and Rose Apple have perfected in considerable quantities; and the great flowering Passion Flower, or Granadilla of the East Indies, have evinced symptoms of bearing. The Date Palm (*Phoenix dactylifera*) has long been introduced, and grows luxuriously, but cannot be expected to yield fruit for some years. The Olive, of which we have at least four species, promises all that can be required. The Tea (*Thea Bohea*), Custard Apple, and Alligator Pear, are now brought to bear without any injury. The melon and cucumber are in great quantities, and cause but small trouble. The Pineapple can be cultivated in the open air, but to obtain its natural sweetness or flavour, artificial heat is necessary.

“Independent of the above list, the following plants have recently been introduced and promise to add greatly to our extensive list of fruits, viz., *Anona Cheramolia* or *Cheramolia* of Chili. The *Gromuchuma*, or Gooseberry of Brazil. *Artocarpus integrifolia*, or Jac fruit, the Celesta, Tangerine and Bahia Orange. Sweet Lemons and Persian Limes, *Cucum sanguric* or Chew Chew.

“Such is the decided peculiarity of our climate, that while on the coast can be cultivated the major parts of the tropical fruits with considerable certainty and success, we can also produce all those of Europe in the interior.”

The value of the Dried Fruit Industry was early recognised and special encouragement was given to induce growers to dry fruit, for in “The Sydney Gazette” of February 26th, 1824, we find the following advertisement:—

“Premiums offered by the Society of Arts for Year 1824.

“Dried Fruits—To the person who shall prepare, import into Great Britain the Greatest Quantity, not less than 100 lbs. of dried fruits, similar to those now imported from the Mediterranean, of good quality, and the growth of the Colony of New South Wales—The Gold Ceres Medal.”

The fruit industry continued to progress; especially was this the case with the Orange, and the supply soon overtook the local demand, with the result that export markets were sought. Export of fruit to Tasmania and Victoria soon became an established fact, and in 1849 a shipment of Sabina oranges was sent to California during the Gold Rush in that State.

The following extract taken from the Journ. and Proc. R.A.H.S. Vols. 5 and 6, pages 267 and 268, tends to show that Lane Cove soon became an important centre of fruit production:—

“Kissing Point Wharf lies a little more than half a mile to the west of ‘Kissing Point’ and beyond the Wharf the most prominent headland is named ‘Charity Point.’ Here 160 acres of land were granted to William Kent, and this became the property of Mr. Sheppard (Junior), who is referred to by Dr. Lang in his Historical Account of New South Wales, thus: ‘I happened to call at the cottage of Mr. Sheppard, an old colonist who has reared a reputable family on a small farm in this vicinity, in the month of July, 1830 . . . I asked Mr. Sheppard Junior what quantity of oranges he would have to dispose of during the season, and he replied ‘Not less than twelve thousand dozen.’ It was on this grant and included in Mr. Sheppard’s orchard that it is supposed the Rev. Richard Johnson produced the first oranges in Australia. With all respect to this supposition, I am doubtful as to its accuracy.”



In 1880 the export of apples and pears to England commenced, and records show that the first parcel of citrus was sent to the United Kingdom in the same year, when a cask of oranges and lemons from Cumberland was sent successfully to Dublin.

In 1879, almost one hundred years after the planting of the first orange tree in the Colony, we find 4,287 acres planted to oranges and lemons, while in 1890 the area had extended to 11,288 acres of which 8,737 acres were productive, yielding some 11,562,000 dozens of oranges and lemons. The production from an acre of citrus in full bearing is recorded at 3,000 dozen, equal to about 150 cases to the acre. At that time there were 2,848 growers and the average size of a citrus grove was approximately four acres.

It is interesting to note that by 1900/01 the area under orchards had greatly increased, there being at that time:—

31,269 acres under orchard (other than citrus)  
 14,965 acres under citrus.  
 8,441 acres under grape vines.

54,675 acres under fruit.

The Official Statistics for 1946/47 for N.S.W. show the further change to the present day:—

	Bearing.	Non-bearing.	Total acres.
	acres.	acres.	
Fruit Trees .....	73,782	16,817	90,599

(c.f. Published article by C. G. Savage in London Daily Mail and misc. other references.)

### WHEAT PRICES AND THE GRAIN TRADE.

#### A Summary of Events, 1822-1842 (°).

Previous to 1822, as it has been earlier noted, the local supply of wheat had been stimulated by the practically constant price of 10s. per bushel, which was given by the Commissariat Department for wheat taken into the Government Stores. Though the Commissariat by this time had ceased to sell wheat, and was willing to purchase enough only for its own dependents, it was still the buyer for about one-third of the wheat in the market, and the price it was willing to pay was, therefore, a considerable factor in determining the price obtained by the grower.

This was the position when, in 1822, Governor Brisbane, in effect, reduced this fixed price for wheat from 10s. to about 8s. 8d. per bushel by altering the basis of payment to two Spanish dollars per bushel. The facts were that although the two dollars were nominally worth 10s., this price was equal only to 8s. 8d. in terms of the depreciated colonial currency, whereas previously the store receipt for 10s. had been readily convertible into English Treasury bills, worth their face value in sterling. Complex currency problems had arisen in the colony at the time, into the causes of which it is unnecessary to here enter, but the effects of Brisbane's actions were to immediately dislocate the internal trade of the Colony and to seriously embarrass the already hopeless financial position of the small settlers, almost completely dependent on the growing of wheat for a livelihood.

In the following year (1823), the tender system for the purchase of grain, in line with Commissioner Bigge's recommendations and as previously referred to, had been adopted by the Commissariat, with the result that wheat supplies were obtained in 1823 at the comparatively cheap price of 7s. 6d. per bushel. This, thereafter, remained the essential procedure for the supply of Government requirements, marking the end of the earlier paternalism and the withdrawal of all Government support to the developing agriculture, whether in principle or practice.

At the beginning of 1824, the price of wheat in the Sydney market ranged from 4s. to 5s. per bushel, and the Commissary had been able to buy supplies for the first three months of the year at 3s. 9d. This low price had been due, not to a plentiful harvest, but to the anxiety of the farmers to sell as much of their grain as possible immediately after it was gathered, and there was prevalent a general feeling at the time, that the Government was taking advantage of the farmers' necessities in accepting wheat at so low a figure. As the year advanced the price rose. In July, it had reached 10s. a bushel, and in September, 13s. 6d., and large importations became necessary to meet the requirements of the Commissariat Department.

This had been the setting when in 1824 the Governor despatched the "Almorah" to Batavia for grain to obtain supplies for the settlement's immediate requirements. The Sydney merchants, posing as the champions of the agricultural interests, as it has been previously seen, violently opposed this direct interference in free trade, by the Government itself engaging in the direct importation of grain, and were able to contrive to have the "Almorah" seized on the grounds that it had violated the charter of the East India Company, as it was found to have on board, in addition to the supply of wheat ordered, a small quantity of tea which the vessel was not licensed to carry. The whole question of the interference of the Governor with the supplies of the Colony was raised in this way. Ultimately the cargo was given up, and the Governor supported in his action by the Home authorities, but he was at the same time categorically advised to interfere as little as possible with the importation of goods, as direct trade by the Government must necessarily be prejudicial to the interests of the mercantile community. The consequences of this episode, as affecting the farming community, have already been noted, but it will serve to further explain the economic issues involved if a note be taken of the position of the Colony at the time, and as it had been in the years immediately before.

Throughout the period of early settlement the market for grain had been particularly ill-managed, so that it was subject, even in normal years, to periodic fluctuations of great violence, which would not have occurred had the Government not abandoned its right to protect the general community and itself against the power of the merchants and traders by importing grain when the supplies were cornered and by maintaining its position as a regular buyer of locally-produced grain. The small settlers, who chiefly supplied the market, were unable to hold their stocks of grain for very long after the harvest and the results usually were that prices were unduly low at the beginning of each year, and from July to September there was commonly what the Sydney Gazette described as an "artificial famine," engineered to a great extent by the grain dealers and the bakers.

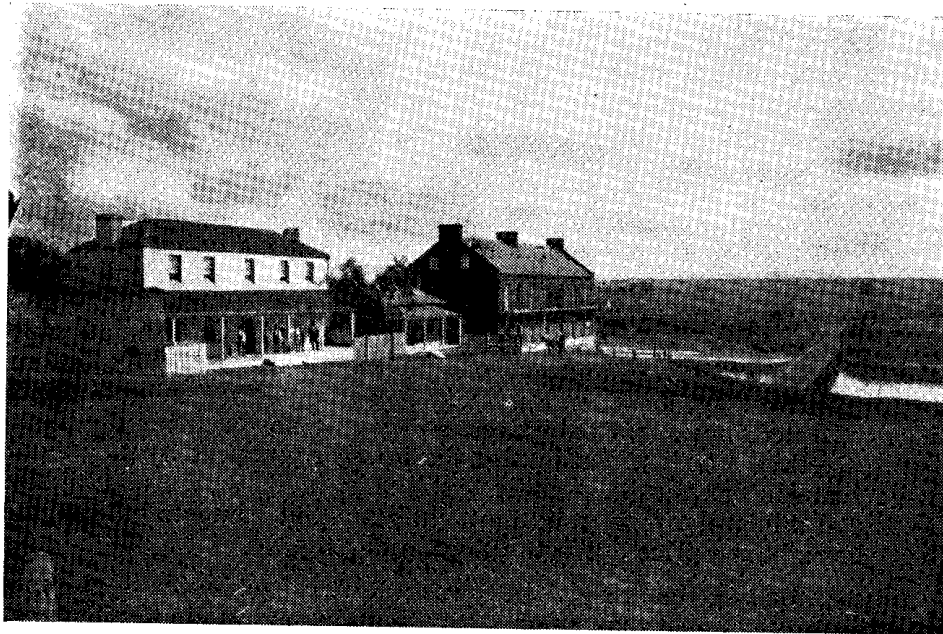
The first years of settlement had been marked by a combination of officers to enhance the price of commodities, the control of the supply of which was practically in their own hands. This was eventually broken down by the action of the Governors in importing goods on public account and retailing them at the Government Stores at reasonable prices. Some ten years after the suppression of the officers' monopoly, it is extraordinary to find that the control of the market in breadstuffs had been already acquired by a few unscrupulous merchants and traders who were, in many ways, not unworthy successors of the officers.

This legacy of an unprincipled colonial grain trade constituted a continuous problem to both Government, settlers and the population at large, throughout the remaining formative years of settlement—until such time in fact as the extension and stabilisation of agricultural pursuits enabled New South Wales to supply its own wants.

The price of wheat, which in January, 1824 had been 5s. the bushel, rose, as already narrated, to 13s. 6d. in September of the same year, and remained at a high level until the abundant harvest of 1826, when it fell to between 5s. and 6s. the bushel. Although 1827 was a poor year, the surplus of wheat from the previous harvest was so large that prices did not rise above 6s. until July, 1828, when they reached 15s. to 18s. currency per bushel, or 13s. to 15s. 8d. sterling, maize selling at 11s. to 12s., and barley 10s. currency. The Governor might reasonably have imported grain under these circumstances, which could well have been landed in Sydney at 6s. per bushel, the price paid by the importers—but, the policy of non-interference having been finally adopted, he confined himself to directing that a portion of the wheat in the Government stores should be sold, on each market day, in lots of 24 bushels for the accommodation of the smaller dealers and that the profit so obtained should be used to supply poor settlers with seed maize. The Government ration of bread was reduced from 9 to 7lb. per week, and private employers were encouraged to make a similar reduction. At the same time, elaborate regulations were issued as to the qualities of bread which the bakers might make, and authorising them to use rye, barley, and other similar substances in the making of household bread. These measures were but slight palliatives, and had it not been for the plentiful harvests of Van Diemen's Land the price of wheat at Sydney would have remained at 18s. the bushel. As it was, it fell at the end of 1828 to 10s. at which figure it stood until the abundant harvests of 1829 and 1830 brought the price down to 6s. 9d. and 5s. 5½d.

These small details are given to illustrate the dependence of the community for its stable food upon the merchants and traders of Sydney. There was no ostensible combination for the enhancement of prices, but there would appear to have been a working arrangement which acted quite as effectively for an oppression of the farmer and the fleecing of the general community, as if it had been based on a formal document. The farmer was almost invariably a poor man, compelled to bring his whole produce to market at the earliest opportunity. It had been the policy of the early Governors, as far as was possible, to encourage him and to buy his produce at a price which would give him a good return from his labour and this was continued until the change of policy which marked the departure of Macquarie and the abandonment of a paternal policy towards the emancipist settlers. With Macquarie and his predecessors it was never at any time a question of mere regulation of prices according to supply and demand; the Commissariat bought its supplies at a fixed price. But from 1822 onwards once the principle of open tendering had been introduced, the farmer was always the sufferer. When grain was plentiful, prices became too low to repay the cost of production, since there was no external market for the surplus grain. When the harvest was bad, on the other hand, the farmer was able to derive little compensation for a short crop by higher prices, as owing to the necessities of his position he was unable to hold his grain until the demand was sufficient to establish the higher price, but was compelled to part with it, either to the Government storekeeper or to the merchant,

at an unremunerative figure, and to have the mortification later in the year of seeing the price advance to whatever the merchant chose to demand, which, in most circumstances, would be as high as the community was able to pay. It was complained that by combination, merchants and millers were able to advance prices threefold in a few weeks, and although the consumption might slacken under the advance, enough wheat would be consumed at the higher price to pay the manipulators handsomely, even should they be caught at the end of the year, as was sometimes the case, with a larger stock of grain than they had reckoned on, in the event of the new crop turning out to be abundant.



PORTION OF WINDSOR, NEW SOUTH WALES, 1879.

*"I have settled on the banks of the Hawkesbury 22 settlers who seem very much pleased with their farms" wrote Lieutenant-Governor Grose to Henry Dundas, on 29th April, 1794. "They describe the soil as particularly rich, and they inform me that whatever they have planted has grown in the greatest luxuriance." By June, 1795, a further 380 farmers and their families had settled in the area, which was known as "Green Hills." In September of the same year the first of many Hawkesbury floods occurred, the river rising 25 feet and drowning one settler, but nothing of a remedial nature was done by the authorities until 1810, when New South Wales was taking the first steps which resulted in the Colony emerging from its original state of a purely penal settlement. On 15th December, 1810, Governor Macquarie issued a Government order in which it was announced that "the frequent inundations of the Rivers Hawkesbury and Nepean having been hitherto attended with the most calamitous effects with regard to the crops growing in this vicinity . . . the Governor has deemed it expedient (in order to guard as far as human foresight can against the recurrence of such calamities) to erect certain townships on the most contiguous and eligible high grounds in the several districts subjected to those inundations for the purpose of rendering every possible accommodation and security to the settlers whose farms are exposed to the floods."*

*The town built on the Green Hills site was called Windsor by Macquarie, because he fancied a resemblance to that Royal town in England. A garrison was established there, both as a protection against hostile natives, who from time to time attacked and killed upwards of a score of not—always—innocent settlers, and as a mobile force for the apprehension of absconding convicts. A residence to house the Governor on his periodic visits was soon built and a*

For purposes of convenience, the average price of wheat from 1823 to 1838 may be tabulated in the following table, the figures in the earlier years being reduced to sterling from the currency prices in which they are stated in the Gazette (°):—

								Per bushel.	
	s.	d.						s.	d.
1822	..	..	..	..	..	..	..	9	4
1823	..	..	..	..	..	..	..	5	7
1824	..	..	..	..	..	..	..	7	6
1825	..	..	..	..	..	..	..	9	6
1826	..	..	..	..	..	..	..	7	2
1827	..	..	..	..	..	..	..	5	6
1828	..	..	..	..	..	..	..	11	7
1829	..	..	..	..	..	..	..	10	0
1830	..	..	..	..	..	..	..	6	9
1831	..	..	..	..	..	..	..	5	6
1832	..	..	..	..	..	..	..	5	11
1833	..	..	..	..	..	..	..	4	3
1834	..	..	..	..	..	..	..	8	3
1835	..	..	..	..	..	..	..	7	4
1836	..	..	..	..	..	..	..	7	8
1837	..	..	..	..	..	..	..	6	11½
1838	..	..	..	..	..	..	..	7	0

These averages, however, do not give any clear idea of the actual variation of prices, which was sometimes very considerable in the same year. Thus in 1824 the prices ranged between 4s. the bushel in February, and 13s. 7d. in October, and in 1828 between 6s. 6d. in January, and 18s. in October, and there were few years in which its highest price was not more than double the lowest.

The practice of fixing the assize of bread was continued down to 1831, but the bakers did not adhere to the price fixed by the Magistrates—the two lb. loaf being usually sold at ¼d. to 1d. above the assize, and during times of scarcity the difference was much greater (°). Thus in October, 1824, when the assize was 6½d. the bakers were selling at 9d., and in other years there was a similar disparity. In ordinary years the price of

*Court-house and Church were also added during Macquarie's occupation of the gubernatorial office. An amusing account of the laying of the foundation stone for St. Matthew's Church is given in the records of Joseph Harpur, the Parish Clerk of the time: "A little after sunset on Saturday, 11th October, 1817, the corner stone of St. Matthew's Church was laid by Governor Macquarie, and after depositing the rim of a Spanish dollar, with the circular bit struck out of its middle (the currency of the colony) which passes for 6s. 3d. sterling, His Excellency in a very impressive tone of voice said: 'God prosper St. Matthew's Church,' gently striking the stone three times with a mason's mallet. On Monday, 13th October. . . . the cornerstone having been removed and the money stolen early in the evening in which it was deposited by the Governor, this evening, about the same time, the cornerstone was relaid by His Excellency and a dollar deposited underneath it." This coin also was purloined, and Macquarie then waited a month until his materials were ready, again performed the ceremony, and hastily erected over the stone a sufficient mass of the structure to prevent its again being tampered with. Apparently this hurried work was unsatisfactory, since the church was taken down to its very foundations in 1819, and re-erected on a larger scale.*

(Cf. Newspaper cuttings, Vol 230; "Telegraph" Sydney, 19/11/1932; W. G. H. Freame—"Press Contributions," Vol. 3; F. Walker—"Early Australian, Windsor and Richmond," June, 1922. (Mitchell Library).)

bread varied somewhat regularly with that of wheat but when, however, wheat was selling at an unusually high price, the price of bread was generally less than might have been expected. This was not, of course, due to any sacrifice of their interests on the part of the bakers, but to a lowering of the quality of the bread made, and to the device of selling short weight which, from contemporary evidence, appears to have been extremely common.

In Van Diemen's Land the price of wheat to the consumer was not usually less than it was in New South Wales, notwithstanding the more uniform and better average yield. The two markets were naturally in close correspondence, but prices were so regulated by the traders that although the New South Wales consumer had usually some advantage from an abundant harvest in Van Diemen's Land, it was not often that the residents of the island colony benefited by abundance in the Mother Colony.

At the close of the period of this survey, 1838-1840, prices were very high in New South Wales for most lines of agricultural produce and imported goods, as a result, firstly, of a severe drought and, secondly, of the effects of an unbridled demand and overwhelming speculation. The drought severely affected the farmer, but the pastoralist was even a greater sufferer, as the land in many parts of the Colony was absolutely devoid of all sustenance for stock. In October, 1838, when it was certain that the harvest would fail, the Legislative Council of New South Wales suspended the duty of 5 per cent. on imported grain, and in June, 1839, when the outlook was still very unsatisfactory, the suspension was continued. It had been anticipated that supplies would arrive from Chile early in 1839, but this relief did not come, and in April wheat was selling in Sydney at 20s. a bushel, and maize at 12s. Hay cost £20 per ton, and fresh butter and vegetables were almost unprocurable. These prices were sustained for a few months, but in July the price of wheat dropped to 13s. a bushel. This lowering of price was, however, only temporary, as in the following month the price rose to 30s. a bushel, flour was sold at 75s. to 80s. per 100 lb., and bread at 2s. 6d. to 2s. 8d. the 4 lb. loaf. In September the prices again declined, and in October wheat was selling at 20s. per bushel, and the quartern loaf at 1s. 8d. The harvest of 1839 was also a poor crop, although by no means as bad as the year before, but coming as it did into a bare market, it was insufficient to lower prices to their usual level. For a short time after the harvest, owing partly to the simultaneous arrival of several grain cargoes from India, prices fell appreciably, and wheat sold at 7s. 6d. per bushel, but this did not last long. At the beginning of 1840 the price of flour in Sydney ranged from 30s. to 40s. per 100 lb., and of wheat from 12s. to 15s. a bushel, but as the year advanced prices rose, so that in May wheat was at 18s. a bushel and the 4 lb. loaf cost 1s. 6d. Steps had been taken, however, to secure supplies not only from Van Diemens Land but from South America, and, in August, flour at the Sydney mills ranged from 30s. to 36s. per 100 lb. for fine, and 28s. for ration flour. The average price of wheat during 1840 was 11s. 7d. per bushel as compared with 16s. 9d. in the previous year, but in November, 1840, when an abundant harvest was being ingathered, it was a drug on the market at 5s. 6d. per bushel.

The details here given of the disposal of the wheat crops yearly gathered in the Colony during the twenty years of farming, 1820-1840, afford abundant evidence of the incredible difficulties of the farming community, in any attempts that they might have made to free themselves from the stranglehold of their creditors. They make clear, also, the reasons for the almost permanent suspicion with which the colonists as a whole were inclined to view the merchants and traders constituting such an important section of the grain trade.

Illustrative of the price trends that are here summarised, it is of some interest to record a few miscellaneous quotations from newspapers of these years:—

*"Sydney Herald,"* 6/6/1831: "Wheat was not in abundance but sold readily at from 4s. 6d. to 6s. There was a parcel of wheat from Argyle brought into town, of the best description that has been seen for some time, and was sold at 6s."

*"Sydney Herald,"* 20/6/1831: "Wheat 5s. 3d. to 6s. per bushel . . . . It appears from the insufficient supply of grain brought to market lately that the settlers are holding back their wheat, though an excellent price could at present be obtained. This we apprehend will not be the case long, as an influx is expected from Van Diemens Land in about a month which will lower the price materially."

*"Sydney Herald,"* 18/7/1831: "It gives us pleasure to learn that the Legislative Council has resolved that it is inexpedient at present to put a duty on wheat imported from the Derwent, though it is not disinclined to put a duty on wheat imported from other countries . . . . The country could not bear the old prices of 7s., 10s. and 15s. a bushel for wheat in its present impoverished state."

*"Sydney Herald,"* 9/7/1832: "Government tender for Scotch barley, whereas there is ample to supply order at 4d. per lb., just a fraction over the imported price . . . . 'The man,' says Dean Swift, 'who causes a blade of grass to grow where none had previously existed, or who doubles the quantity,' performs an acceptable and beneficial service to the community . . . . and (this should be remembered by our legislators)."

*"Sydney Herald,"* 6/12/17832: "Contracts for rations for the yearly supply of provisions to the Troops in Garrison, Police, Convicts, Gaols and Hospitals under Government. *Beef*, 4d. per lb., Hobart;  $\frac{3}{4}$ d. per lb., Sydney!"

*"Sydney Herald,"* 9/6/1834: "It is so long a time since the Colonists suffered under the threat of famine that they are not provided with any remedy or resource against it. The importation of 6,000 persons in one year causes an unexpected drainage upon the usual resources, for which the growers of wheat have not calculated. Hence the unexpected rise in the price of wheat may be accounted for in the easiest manner. When a similar calamity threatened the country in 1828 and 1829, Governor Darling published an order requesting all persons to set an example to their men by using the utmost economy in the article of wheat, and to enforce the same economy on the part of all persons on their establishments. He also gave directions that convict servants should receive a portion of corn meal or even whole ration of

maize in place of wheat, and he authorised a commutation of wheat for other more abundant articles of food. These regulations not only relieved the public mind from any apprehensions of scarcity but kept down the price of wheat so that it never rose above 15s. per bushel. It is suggested that the same system be followed by Government."

"*Sydney Herald*," 22/9/1834: "*Markets*. The purchases of wheat at the granaries this week . . . amount to upwards of 5,000 bushels; the prices have been something higher than before, but a reduction has taken place in the price of flour which is now 35s. per cwt. Maize is supplied in great plenty, and sales continue brisk at 4s. per bushel. Barley has experienced an advance; the sales of this grain are merely nominal, and no fixed price can with confidence be calculated upon. Oats do not appear in the market, nor is any inquiry made for this grain. Hay was moderately supplied and prices underwent no alteration from last week. Fresh and salt butter were supplied in moderate quantities, at a slight reduction; the samples were, however, generally superior—good salt butter obtained 1s. 5d., while other samples met with no purchases at, in some instances, as low as 1s. per lb.; fresh butter 1s. 3d. to 1s. 6d. per lb. The supply of cheese in the market is very small, and not much in demand; 7½d. is the price at which a few sales were effected. Salt provisions generally scantily supplied at former prices. Potatoes well supplied at 12s. per cwt."

"*Sydney Herald*," 21/1/1835: "*Markets*. Price of wheat 5s. 6d. to 6s. 9d. per bushel. A rise in maize from 4s. 3d. to 4s. 9d. per bushel."

"*Sydney Herald*," 27/3/1835: "*Markets*. Wheat 6s., maize 5s. to 5s. 3d. per bushel."

"*Sydney Herald*," 15/7/1835: "*Markets*. Wheat 8s. to 10s. per bushel."

"*Sydney Herald*," 21/9/1835: "*Markets*. Wheat 13s. to 16s. per bushel. Maize 9s. 6d. to 10s. per bushel."

"*The Australian*," 27/11/1835: "*Markets*. Potatoes, 14s. to 16s. per cwt.; cabbages, 2d. to 3d. each; turnips and carrots, 4d. to 5d. per bunch; leeks, 2d.; eschalots, 1d. to 2d.; onions, 4d. per lb.; oranges, 1s. to 2s. per doz.; lemons, 1s. 6d. to 2s.; fowls, 4s. to 4s. 6d. per couple; ducks, 5s. to 6s.; geese, 8s. per pair; turkeys, 10s. to 12s. per pair; roasting pigs, 2s. 6d. to 3s. 6d. each; eggs, 2s. per doz.; salt butter, 2s. to 2s. 6d. per lb; fresh butter, 2s. 6d. to 2s. 9d.; bacon, 1s. to 1s. 1d.; ham, 1s. 1d. to 1s. 2d.; salt pork, 8d. to 9d.; bread, 5½d. per 2 lb. loaf; beef, 4d. to 4½d. per lb. by the carcase; mutton, 3d. to 4d.; maize, 7s.; oats, 6s.; wheat still continues from 8s. 9d. to 9s. 9d. per bushel of 100 lb.; hay, best oaten, £14 to £15 per ton." (Note.—No explanation can be given to this reference to a bushel of wheat weighing 100 lb. Possibly it is a typographical error in the newspaper.)

"*Sydney Herald*," 4/1/1836: "*Markets*. Maize, 7s. 6d. per bushel; wheat, 8s. per bushel."

"*Sydney Herald*," 2/1/1837: "*Markets*. Wheat, 6s. per bushel."

"*Sydney Herald*," 13/3/1837: "*Markets*. Wheat, 7s. to 8s. 6d. per bushel."



"*Sydney Herald*," 6/5/1839: "*Markets. Wheat*, 15s. . . . Considerably lower than it was. Maize, 10s. 6d. to 11s. 6d. per bushel."

"*The Australian*," 4/1/1840: "*Markets. Yesterday flour* was quoted at the mills at former prices, viz., 36s., 30s. and 28s. per 100 lb. for first, second and third qualities. Bread continues at 8d. the 2 lb. loaf. Butchers' meat is also the same . . . Beef and mutton from 5d. to 6d. per lb. and pork and veal, 10d. Poultry as follows: Fowls, 8s. to 10s.; ducks, 10s.; muscovy, 6s.; geese, 15s. to 16s. Turkeys, 18s. to 25s. The butter, fruit and vegetable markets remain stationary. Fresh butter is selling at 3s. per lb.; tub, ditto, 2s. 6d.; and salt, ditto, 2s. Cheese, 15d. to 18d. . . . Business during the week has been rather flat."

"*New South Wales Magazine*," May, 1843 (depression period): "Maize, 1s. 9d. to 2s. per bushel (wholesale); 2s. 6d. per bushel (retail); milch cows, £3 15s. 0d. to £4 per head; fat cattle, £3 to £4 per head; sheep (wholesale market), fat sheep, 5s. to 10s. per head; pigs (wholesale), fat prices, 27s. to 30s. per cwt.; butchers' meat: beef and mutton, 1d. to 1½d. (wholesale), 2d. to 3d. per lb. (retail); veal, 5d. to 6d. per lb.; pork, 5d. to 7d. per lb.; wheat, 4s. to 4s. 3d. per bushel."

#### **THE CONTINUING PROBLEM OF SELF-SUFFICIENCY—OVERWHELMING INCREASE IN POPULATION; FEARS OF FOOD SHORTAGES; DIFFICULTIES OF FARMING.**

It is very interesting to note the change of outlook in the 1830's concerning the ability of the Colony to support itself with foodstuffs. In 1831, notwithstanding a succession of bad seasons, wheat was cheap and plentiful at 4s. 6d. to 6s. a bushel, this following upon the considerable importations that had been made to supplement the preceding poor harvests in the Colony, and to which reference has already been made (S.H. 6/6/1831; S.H. 20/6/1831). Nevertheless, hopes were even at this stage still held that with improved roads and a happier marketing prospect, a sufficient acreage of land could be brought under cultivation to amply supply the food requirements of the Colony and overcome all risks of bad seasons. But as increasing numbers of emigrants and convicts began to arrive in the wake of the new pastoral expansion, and the population was on the road to doubling itself in the space of little more than ten years, there is increasing evidence of strong doubts appearing. An example of this new viewpoint can be read into an article in the "*Sydney Herald*" (13 January, 1834):—

"Nearly 8,000 persons, male and female, bond and free, have arrived in this Colony during the last year. Of these, 2,500 are supposed to be Free Immigrants, and as the number who have retired from the Colony is comparatively trifling . . . we consider the whole as an accession to our population . . . It is fair to conclude that the present will form a distinguished era in our annals. Many persons and classes will benefit. Farmers, Graziers, Merchants and others . . . (Requirements will be) . . . 8,000 x 10 lb. beef per week = 416,000 lb. or @ 500 lb. per bullock, 8,000 to 9,000 bullocks; 120,000 bushels of grain, allowing to each individual, 15 bushels. The average acre crop

in ordinary seasons is 15 to 20 bushels of marketable wheat (56 lb. to the bushel). Therefore, nearly 10,000 acres additional must be brought into cultivation . . . other demands will be for dairy and kitchen produce, pork, hams, beef, fruits, beer, poultry, etc.

“During the last year an increased power of consumption has been added to our population, by an increase of one-eighth to their numbers; but we hear of no corresponding increase to our Agricultural Establishments. If no addition is made to the quantity of grain in cultivation, we must pay ruinously high prices for produce, or we must procure our food from other places, besides being subject to periodical visitations of scarcity detrimental to public and private interests. Agriculturalists should, therefore, bestir themselves, and should take in fresh land for the plough to meet the increasing consumption of wheat. In this manner alone will they derive benefit from the disbursements of the price of land, which will then flow back on our settlers in an indirect manner.”

This same question of insufficiency causing a rise in prices is shown in another article, two years later, which because of its interest deserves a full quotation. (S.H. 7/4/1836) :—

“The increase of our population advances every year on an extended scale; and in no instance has this been more remarkable than since 1st January last. Besides the increase occasioned by a native born population, it is supposed that about 900 free persons, the greater proportion females, and 1,200 bondmen have arrived in New South Wales during that period. From the exertions made in England and Ireland to send out persons on emigration bounty, it is not improbable that thrice the number specified will be landed on these shores before the end of the year. Some estimate the increase of population from both causes at from 8,000 to 10,000 persons. These become permanent residents . . . The more easy acquisition of land and greater inducements held out to wealthy Emigrants than the present land regulations afford, would still further promote the well being of the Colony and serve to overpower the fatal ascendancy of Convict Principles which exist in most of our institutions . . . It is in the arrival of emigrants of character, with or without capital, that the colonists contemplate the extension of Free Institutions. In this, also, they contemplate the future prosperity of the Colony as an agricultural and pastoral country. The influx of upwards of 2,000 persons in three months, every one of whom will be required to be maintained for one year at least on the produce of last year's labour, will still further diminish the supply of food on hand and raise its price. Two thousand bullocks, 30,000 bushels of wheat, tea, sugar, tobacco, clothing, various other imported commodities, houses, etc., will be required for the persons lately arrived. Added to these, the thousands expected and their importation at the present season when the crop has been taken from the ground and no addition can be made to the supply save by casual imports of grain, must have considerable influence on the Colony. In this Colony, prices therefore will continue high till the new crop comes off the ground; and in the meantime settlers should sow as much wheat land as may be under their command. The reason is obvious, for as no new

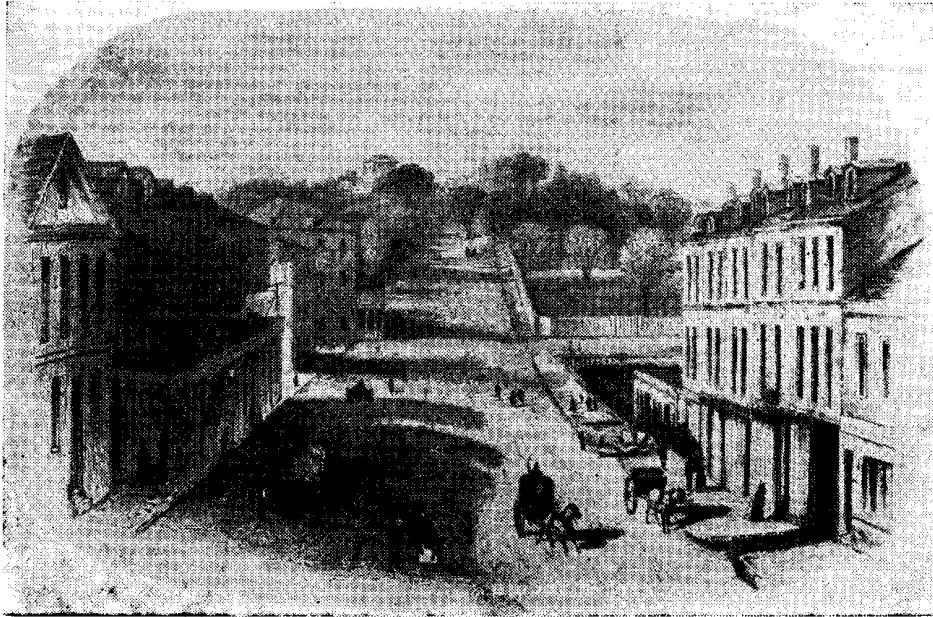
crops can be obtained till December, all emigrants of this year as well as those who may arrive next year, will depend upon the quantity of wheat now sown for their support. The importations, therefore, of two years' emigration will be thrown upon the produce of the ensuing harvest. If the preparations for it are deficient in quantity, high prices must be the consequence for two years, or large importations of wheat and flour must be made from other countries. The quantity of wheat reaped is not a certain criterion of the quantity available for food. The slovenly, careless and destructive habits of convict labourers cause great waste of excellent food; for the growth of which the same labour and expense are required as for that which is actually made use of in consumption. The waste occasioned also by the weevil, bad threshing, exposure to the weather and other causes diminish the resources of the Colony. The more easy acquisition of land and greater care in the cultivation and preservation of grain on the part of the Farmers are necessary to enable this Colony to provide for its own support in future. It is disgraceful to the colonists, except when compelled by unfavourable seasons, that they should import grain, while thousands of fine flats are uncultivated and comparatively useless . . . ”

It is thus not surprising to note the fear in the mid 1830's that “there (is) a very general persuasion existing . . . that the quantity of food in the country is not sufficient for its inhabitants.” (S.H. 9/6/1834). To an extent, part of the shortage was man-made, requiring wheat to be used in the ration at times when other foodstuffs were more plentiful. It occurred to the “Sydney Herald” in June, 1834, that “the whole system of rations appears to us to be a most fit subject for the revision of the Council. It is adapted for a distant period of Colonial history, when the district of the Hawkesbury was an ample granary for the population. It is known, however, that all parts of the Colony are not equally fitted for the growth of wheat; and that every climate has its own nutritious food by which it is distinguished from every other. Why then should Government regulations insist upon the same quantity of wheat in every part of the Colony? In Argyle, potatoes grow luxuriantly, but they are not in the Government order of rations, and, therefore, they must be transported to Sydney, and weevil eaten wheat must be taken up and served out to men who would probably prefer the potato. Wheat will not grow abundantly or with certainty in many districts of the Hunter, but that district is most redolent in maize and vegetables. One district would grow oats, another rye, yet they are not available as food because the Government regulations say that the convict servant shall receive wheat. We cannot see why a sufficiency of any one food of good quality might not be most advantageously substituted on occasions, and particularly at present for the food of Government servants.” (S.H. 9/6/1834.) A similar complaint had been made by Bigge in his investigations of some years before, the Commissioner finding it impossible to understand why, in times of a wheat shortage, maize was not included to a greater extent in the ration, and why there

should have been the same concentration on a grain often difficult to grow. At Wollongong, at Port Macquarie, in the Hunter and Hawkesbury River districts, in fact, everywhere in the Colony of the 1830's, it would appear that the major crop cultivated was wheat, unsuitable in any event for the river flats capable of growing other foodstuffs much more easily. Possibly it is to this perseverance with wheat that some at least of the food difficulties of the early Colony may be traced.

Another phase of this same ill-balance, avoidable if restrictions had been lifted and other encouragement given, may be illustrated by noting several references in the "Australian," in issues of 1835, to the shortage of pig meats (27/2/1835; 10/3/1835; 14/4/1835.) This is all the more difficult to understand, since pigs and poultry constituted the only stock which small farmers could profitably rear, whilst providing a ready means of converting surplus or inferior damaged grain, otherwise unsaleable, into a profitable and useful food. In one well written letter, the question is asked why pork, bacon and ham were not more widely grown in the country instead of the everlasting poor quality mutton and beef. Pig meats had the advantages of providing a variety in the diet, of being useful as a food in many different forms, of being easily cured, salted and processed for storing for long periods, whilst the mutton and beef were generally of the poorest quality and thus unpalatable. Of the quality of the meat which was being sold at the time, an estimate may be formed by noting an article in the same newspaper, of an 1842 issue, which confirms the earlier opinions by Cunningham and others: "We have of late been assured by many settlers competent to judge of the matter, that the breed of cattle is very much depreciating throughout the country. People do not take sufficient pains to improve the quality of their stock. They allow their stock to breed in and in, and will not be at the expense and trouble of crossing. This even bids fair to be one of some magnitude. We despair of seeing an amendment until a Society is vigorously formed and conducted for the improvement and benefit of the grazing and agricultural interests of the Colony." (*Australian* 3/2/1842.)

Allied with this failure to improve the breed, fattening facilities were not available, nor an assured export market on hand to encourage a properly organised meat trade. Salting of beef or mutton was not appreciably practised or considered until a depression came years later. In the view of the *Sydney Herald*, one reason for the almost entire abandonment of the more profitable and at the same time more advantageous pig raising by the small settlers, was that "The Impounding Act had acted steadily to the depression of the smaller settlers, who in former times paid great part of their rents from their pigs fed on the refuse of their corn, but who now find the expense of impounding too great to warrant the risk . . . . At present very few settlers venture to incur the risk of rearing pigs for pork, as their best exertions cannot prevent them from straying off the premises." (S.H. 16/5/1831.) Of all the Acts of Council then in force, thought the newspaper, this deserved the most prompt and radical revision for the benefit of the poorer settlers, then depressed by bad seasons and floods, and many of them with large quantities of damaged corn which would be lost and which would otherwise be turned to profit but for the indirect operation of the Impounding Act, which benefited a few individuals, but was oppressively felt by the community at large. In a later issue of 16th April, 1835, the



BRIDGE-STREET, SYDNEY, 1853.

*"Respecting the buildings erected at the expense of the Colonists arising from the duty on Spirits, I have the pleasure in informing your Lordship that the Bridge at Sydney is completed," wrote Governor King in a despatch to Lord Hobart dated 14th August, 1804. This was the bridge which crossed the Tank Stream at a point 12 feet above sea level and which subsequently gave Bridge-street its name.*

*The stream had been the decisive factor in Cook's resolve to establish the original settlement at Sydney Cove, since it assured the colony of a continuous water supply. In May, 1792, it became known as the Tank Stream by reason of the construction of a tank containing 7,996 gallons of water with a well at its centre 15 feet deep, hewn out of the solid rock.*

*At the time of the first encampment the scene was one of great natural beauty, the banks of the creek being fringed with heavy timber "the stillness of which had been, for the first time since the creation, interrupted by the rude sounds of the labourer's axe." Rising in some marshy ground about the centre of Hyde Park which reached as far as Market and King streets, the stream emerged as a creek of running fresh water taking its course between Pitt and George streets until finally entering the salt waters of the harbour.*

*With the growth of the colony, measures had soon to be taken to prevent pollution of the water supply and Governors Phillip, King, Bligh and Macquarie all issued ordinances restricting access to the stream for purposes other than obtaining drinking water. Violations of these ordinances became so frequent that offenders had their houses pulled down and were fined £5 for each offence.*

*Sometimes in hot weather the stream tended to dry up and water carts which daily paraded the streets of Sydney were an established industry, charging 3d. and occasionally 6d. per bucket.*

*In 1826 half a dozen boys were caught bathing in the very stream from which the inhabitants were obliged to supply themselves with water for household purposes, and, in 1827-8, when other sources of supply became available, the authorities gave up the unequal struggle, the stream became a sewer and all efforts to save it were abandoned.*

*(cf. "Old Sydney," by J. H. Watson; Journ. and Proc., R.A.H.S. Vol. 1—paper on the "Tank Stream," by A. Houston. (Mitchell Library).)*

significant comment is made that "There is beef in abundance in this Colony, but it is generally believed that only a small portion of Pork could be exported, the settlers having ceased to rear this productive and lucrative article of food to any great extent for many years." Not unexpected, then, is this marketing report in the *Sydney Herald* (4 February, 1836), commenting on the fact that all prices were high on the markets, and that "Irish pork is selling readily, a large quantity being on the market." Even in meat, there was this partial failure to achieve self-sufficiency—an extraordinary phenomenon.

In the country districts and in Van Diemen's Land, farming continued in the 1830's as a hazardous enterprise, because of labour and other difficulties, this making the problem of self-sufficiency even more acute. As traced out in a previous essay, the labour difficulty, to single out one problem, grew worse, in proportion as the grazing expansion was accelerated from 1835 onwards. Relevant to this issue may be quoted the following references to the position both in New South Wales and in Tasmania:

*"Country News, Yass, 23rd December, 1839:* The settlers have been very busy in reaping, mowing and shearing; these occupations have, however, been seriously delayed by the scarcity of labourers. The crops are exceedingly abundant in this quarter. Shearers are demanding 5s. per score, and 6s. 6d. per day for washing, together with rations, grog, etc. . . . Horse stealing is carried on with great vigour in the southern districts. Port Phillip and South Australia furnish a ready market for the stolen animals." (*"Australian,"* 4.1.1840).

Concerning Tasmania:

*"Van Diemen's Land.* The harvest has now commenced very generally. A considerable quantity of wheat has been cut and would have been brought to market this week had not the moist weather prevented the housing and threshing. After a few days of hot sun, we shall have large supplies of new wheat, as the farmers will be anxious to avail themselves of the unprecedented prices, which cannot stand above another week, for if they are not reduced by supplies from the country, they will be by arrivals from Sydney and from Launceston which are daily expected. The crops are coming to the sickle quite equal to expectation wherever the land has been any way decently farmed—but in many situations where the appearance is so immense, one-half will be rubbish and wild oats. We have also seen a good deal of smut in some situations, but we do not hear that it is general. . . . There is a great complaint of a prospective scarcity of reapers in some districts, particularly Swan Port. We hope the Governor will imitate the example of Sir George Gipps and send out every man that can be spared from the public works, to assist in getting in the harvest. It is a consideration of the first importance to save every bushel of the present crop which, although abundant, will be very valuable; for besides the increased foreign demand from the new Colonies in New Zealand and on the Continent, it is well known that there never was so little wheat left in the Colony as there is at this moment. We hope that last year will prove a useful lesson to the Government in both Colonies, by showing them the necessity

of affording every assistance and encouragement to the cultivations of the soil. We do not apprehend that the prices this year will be such as to require the Government to relieve the market by extra purchases, or to allow them to lay in supplies for a future scarcity; but they may greatly assist in providing against it by liberally assisting the farmers with labourers to get in the harvest, so as to enable them to keep their teams at plough preparing for the next crop." ("Australian," 21.1.1841.)

Interesting also, though not unexpected, is this earlier account of unequal distribution of convict labour:

"It is too true that few of the middling order of settlers have their fair complement of assigned servants; while many have none at all. But then several of their more influential neighbours have, or have had abundance of assigned servants of all sorts. We do not think it by any means an unusual thing to see nearly every operation on one farm performed by assigned servants, and on the adjoining one, the various processes of ploughing, hoeing, harrowing, thrashing, etc., etc., done by free labour at full treble the cost to the settler. The consequence is that there can be nothing like a fair competition between the parties thus circumstanced, as one can sell at a price which to the other would be a dead loss . . . men high in official situations have no business to be peddling at markets and farms . . . to the great injury of the fair trader." ("Australian," 4.1.1833.)

In this general setting of a quickly increasing population requiring thousands of further acres to be brought into cultivation, of labour difficulties on farms, of droughts and other hazards interfering constantly with production, of obstacles being placed in the way of small farmers using up their damaged grain by growing pigs, of poor and fluctuating prices for all agricultural produce, of heavy and increasing transport costs, farming, rather than increasing in its scope, actually receded. This is clear from the following statistics put forward by a Mr. Panton before the New South Wales Legislative Council in 1843: (\*)

- "In 1836 the population was 77,096 and acres of wheat 51,616
- In 1837 the population was 85,267 and acres of wheat 59,975
- In 1838 the population was 97,912 and acres of wheat 48,060
- In 1839 the population was 114,386 and acres of wheat 48,401
- In 1840 the population was 129,463 and acres of wheat 74,133
- In 1841 the population was 149,669 and acres of wheat 58,605
- In 1842 the population was 159,889 and acres of wheat 57,533

"Average produce per acre might be 14 bushels, which at 6s. would amount to £1,664,098, but the importation of wheat at 6s. amounted in—

"Year.		£
1836	to	112,081
1837	to	45,754
1838	to	42,383
1839	to	78,197
1840	to	140,562
1841	to	133,742
1842	to	103,311"



DOUBLE BAY, SYDNEY, 1853.

*It is to the multiplicity and variety of its bays and promontories that Sydney Harbour owes much of its charm, and this scene of Double Bay, drawn in 1853, is typical of the rural atmosphere of many quiet backwaters which were to be found dotted about the harbour during the nineteenth century, but which yearly grow less numerous as they are encroached upon by the expanding city.*

*Double Bay was originally called Keltie Bay or Cove after Mr. James Keltie, a master in the Royal Navy who left England with the first fleet as mate of the storeship "Fishburn" and who later became captain of the "Sirius" at Rio de Janeiro on the voyage out. The reason for the change of name is unknown.*

*The following description of the area appears in a newspaper of the period: "A drive past the domain, and along the South Head Road . . . brings the traveller to the village of Double Bay. This and Darling Point, which is close by, forms the fashionable suburb of Sydney. . . . The surrounding district is rocky and covered with scrub, but in the valley to the south-east is a fine tract of alluvial soil where the principal market gardens have been established, watered by a creek draining the high lands of Waverley."*

*(cf. "Landscape Scenery Illustrating Sydney"—Sands and Kenny (1855): "Illustrated Sydney News," Dec. 1871; "Notes on Sydney Harbour—Place Names"—J. H. Watson, in R.A.H.S., Vol. 4—(Mitchell Library).*

A further insight into this seemingly strange disproportion may be gained by noting the reply given to a member's question: "Whether the Government intended to alter the duties on grain imported from Van Diemen's Land and America?" In his reply, the Colonial Treasurer stated that "a measure would be introduced to that effect. Government thought fixed preferable to *ad valorem* duties. The quantity of wheat imported during the three years ending 1842 was, from Van Diemen's Land, 200,000 bushels, and from Valparaiso, 370,000 bushels. The duty paid on the latter amounted to about £1,450, about ½d. per bushel. If there had been a fixed duty of only 5 per cent., it would have amounted to 3d. per bushel, making £7,200, or thereabouts. It was clear, therefore, that a small fixed duty was preferable, and the Government would make the change as soon as possible, but would not fix anything like a protective duty on grain" (°)



**GOVERNOR GIPPS AND THE COCKATOO ISLAND SILOS.**

Agriculture continued as a static development showing little or no tendency to expand, and because of its deficiencies requiring large quantities of foodstuffs to be imported to maintain the population. Particularly was this the position from 1839-1842, an average of these years showing the value of grain imports alone to be well over the £100,000 per annum mark. All this notwithstanding, in 1840 near starvation threatened the Colony. It is therefore not surprising that to Governor Gipps, as it was to Dr. Nicholson and others, the risks involved in depending alone on a local production were too great to allow any prospect of using a prohibitory tariff to support colonial farming. The natural backwardness of the farming was not alone the reason for this, but rather the uncertainty of the seasons and the unpredictable harvests. It is all sufficiently well summed up in a despatch by the Governor in 1844:

"I feel it my duty distinctly to state to your Lordship," Gipps reported in January, 1844, "that looking at the precarious nature of its climate, the unfitness of its soil (except in favoured localities) for the production of wheat, and the distance of every other market (except Van Diemen's Land) from which the Colony can obtain grain, it seems to me that there is not on the face of the Globe any country in which a free-trade in corn is so absolutely necessary in order to guard against dearth."<sup>(10)</sup>

To some extent this was true, and indeed, it must not be overlooked that overseas ventures in grain trading were in themselves risky affairs—involving buying on sometimes a cheap and at other times dear market, gambling on the chances of accident and loss in shipping, a variable market at Sydney, and competition with other traders and merchants as well. For these reasons, any deliberate attempt that might have been made to restrict dealers from speculation in foodstuffs would perhaps have precipitated a famine, if Government had not been prepared to undertake official purchases of its own volition—a prospect never at any time likely in an age in which Government interference in trade conflicted with accepted economic principles.

Correspondence between Governor Gipps and Lord John Russell, Colonial Secretary at the time, gives the full story of the only real attempts made by Government in the later colonial period of this survey, to interpose in this perpetual cycle of shortage and plenty. In earlier sections of this study, the question has been raised why attempts were not made to even out the deficiencies of the poor harvest years by storing surplus grain at times of abundance to tide the Colony over the inevitable periods of later shortages. Such would have been possible in Macquarie times, when local production might easily at times have sufficed to meet the needs of immediate requirements, but this was not done, the Government remaining aloof from the grain trade, where perhaps the Commissariat Department might have become the sole receiving and handling agency. By the late 1830's and early 1840's, however, there was no longer any possibility of the Colony being self-sufficient in breadstuffs, the consequences being that importations of grain were inevitable. Under these circumstances it would no doubt have been expedient to the Government and have lessened the running expenses of the local administration if the Governor had been permitted to dabble in overseas grain purchases, buying in quantity at the cheapest

prices, but the effects on the local agriculture must surely have been disastrous, in effect completely destroying the home market and compelling the local farmers to compete at their cost with the lowest priced imported grain. It is little wonder then that Governor Gipps, whilst being praised for one instance of his intervention at a time of crisis, was castigated and prevented from using Government resources to make a regular practice of dealing on Government account. There can be no doubt that in these matters, the view of the Imperial Government was more long-sighted than Gipps', even though if regard be had not to the well-being of the local farmers but to the general price levels of foodstuffs in the Colony, it is as clear that Gipps' recommendations alone could have established an even market. In this, as in so many other instances, the consumer interest was in conflict with the agricultural interest, the two being at opposite poles apart.

The first mention of Government purchases occurs in a despatch by Gipps to Glenelg, 8 April, 1839 (<sup>11</sup>):

"Following . . . the long continuance of a most oppressive drought . . . with my last despatch of 28th January I transmitted an Act of Council which was passed to admit the importation of grain and flour, free of any charge of duty or wharfage, and I have now to explain that at the time that Act was passed, it was hoped no further measures on the part of the Government would be required but that whatever deficiency might exist would be supplied by the activity of the merchants of Sydney. The harvest in Van Diemen's Land was known to have been an abundant one; at that time, also, though the wheat harvest in New South Wales had failed, there was every appearance of an ample crop of maize; and the inquiries which I made privately and confidentially amongst our merchants led me to expect large importations of corn, both from South America and India. Circumstances, I am sorry to say, were, however, so much changed by the middle of the last month that though disinclined on general appearances in such matters, I considered I could no longer be justified in remaining inactive. Wheat had risen to 15s. per bushel; supplies from Van Diemen's Land had come in far slower than was expected (whether from a real deficiency or from the effects of a monopoly or holding back for an advanced price, I am unable to say). A second drought had destroyed our maize harvest, which, as I have observed, was expected to be a good one; and it came to my knowledge also that no supplies were to be expected from South America in consequence of the orders which were sent in October and November having been limited to a price at which wheat was not to be obtained there. I accordingly brought these circumstances under the consideration of my Executive Council . . . in consequence, a reduction has been made in the quantity of flour or bread issued as a ration to convicts throughout the Colony; and that engagements have been entered into by Government and certain mercantile houses for the importation from India of 100,000 bushels of rice on a principle I shall presently explain.

“Wheat is now 20s. a bushel at Sydney, and maize of which the ordinary price is 2s. 6d. or 3s., has risen to 12s. . . Hay is £20 a ton; fresh butter and vegetables mostly unknown. The emigrants who arrive from England remain in our streets, without employment, whilst they add materially to the number of mouths to be fed by Government. Our contractors have very generally failed to fulfil their engagements, and we have had to make fresh contracts at enormous prices, which will almost complete the exhaustion of our Treasury. In the interior, the drought has been far more oppressive even than on the sea coast; only a fortnight ago, hundreds of miles might have been traversed within the located districts of the Colony without seeing either a blade of grass or a drop of water; and among the cattle at least, famine may be said to have existed in all its horrors.

“ . . . Tenders were called for by the Government to show the lowest guaranteed price at which merchants or others would engage to bring corn or rice to the Colony in good merchantable condition, the whole risk of the voyage and the chance (which is not inconsiderable) of the spoiling of the cargo being on the importer; the corn or rice to arrive within a certain specified time, under a penalty equal to one-third the guaranteed price; the importer to declare within seven days after the arrival of any and every cargo, whether he will give it to Government at the guaranteed price, or sell it on his own account, and in the event of his choosing to do the latter, he will have no claim whatever on the Government.

“The result of the tenders has been to fix the Government guaranteed price at about 7s. 4d. per bushel, and consequently, unless wheat falls to a price below 7s. 4d. (which is very improbable) before 31st December next, no loss or expense whatever will fall upon the Government.

“In the year 1835, the Government of this country imported wheat on its own account, and suffered a loss by it of upwards of £4,000, though the quantity imported was far less than that which we have now agreed for.”

The device of a guaranteed price being paid to importers is not an unfamiliar one, and was ingenious on the part of Governor Gipps and his advisers in the then circumstances of early New South Wales development. It is of considerable interest to note the despatch of the Governor in the following year, in which an opinion is given concerning the effectiveness of the measures taken (Gipps to Russell, 17 July, 1840): <sup>(12)</sup> “The general condition of the Colony continues to be, I am rejoiced to say, most prosperous . . . The measures adopted last year, during the existence of the scarcity, proved eminently successful; and in nothing have I so much reason to think myself fortunate as in their result. The price of wheat, which was once as high as 25s. per bushel, is now 9s. 6d., and rice is very abundant at about 1½d. per lb.” Note may be also taken of this further despatch of 9 September, 1840: <sup>(13)</sup> “ . . . I deem it essential also to observe that though the Proprietors of Land and Stock and even persons of the middle orders of Society suffered greatly from the effects of the drought of 1838 and 1839, the Labouring classes were but slightly affected by it, because in Sydney food was provided for them in abundance either by

the Government, or by an Association formed for their relief, and in the country, labourers are almost universally, as well as their families, provided with rations by their employers." In the face of these optimistic accounts, and particularly concerning the non-involvement of Government in increased expenditure in the Colony, it was hardly possible for Lord Russell to do otherwise than endorse the action taken (Russell to Gipps): <sup>(14)</sup> "I have received your despatch of 8th April, 1839, reporting the measures taken . . . for the importation from India of a quantity of grain, in consequence of the long-continued drought in the Colony, and I have to convey to you the approval of Her Majesty's Government," and, again, acknowledging the later despatch: "I have received with great satisfaction your report of the success which has attended your endeavours for the relief of the people of New South Wales from the pressure of scarcity, and your account of the good prospects of the approaching harvests in the Colony." <sup>(15)</sup>

These measures of the Governor and the approval given to them by the Home Authorities may be compared with Gipps' farther interventions and the reaction shown by his superiors. The circumstances are given in Gipps' despatch of 30 November, 1840: <sup>(16)</sup>

"I beg leave to report . . . the circumstances under which I have judged it expedient to make a further purchase of wheat on account of the Government of this Colony.

"In my despatch of 8 April, 1839, I reported the measures I adopted to secure the importation of wheat and rice in consequence of the scarcity which then prevailed in the Colony, which measures were approved by your Excellency in his despatch of 13 November, 1839.

"The rice arrived most opportunely . . . but as the wheat did not arrive until after the colonial harvest had commenced, it was all thrown on the hands of the Government at the price which had been guaranteed for it. Within a short time, however, after its arrival, wheat had so risen in the market that I was enabled to commence selling flour to the public at a price (18s. per 100 lb.) which was remunerative to the Government, and by the middle of May the price of wheat had become so much higher that it was judged proper to sell the Government flour to the poor or labouring classes only, and to cause the sale of it to be conducted under the management of the Committee of the Benevolent Society of Sydney. Another fluctuation, however, shortly ensued. About the end of September the price of wheat began to fall, and importations flowed in so fast upon us, principally from South America, that by the commencement of the present month it had become a drug in the market at 5s. 6d. per bushel. Thus, in the short space of about 20 months wheat had risen from 7s. 6d. a bushel to 25s., fallen again to 7s., risen to 15s., and fallen again to 5s. 6d.

"In order to guard in some degree against the recurrence of such calamitous fluctuations in the price of the first necessity of life, I have purchased during the present month on account of Government, 15,510 bushels of wheat at 5s. 6d. per bushel, which would otherwise have been exported or purchased for distillation, and in either case lost to the Colony; and the loss of which might have exposed us in the course even of a few months, to the recurrence of a scarcity.

“Looking at the great increase that may be expected in our population in the course of the next twelve months, and the probability of a demand on the Australian colonies for provisions to support the war in China, I feel confident that the measure I have adopted is one only of common prudence; and I trust, therefore, will meet with your Lordship’s approval.

“The quantity of wheat now stored in the underground granaries or silos, which were constructed last year at Cockatoo Island, is 20,000 bushels; but additional silos are in progress, and if the price of wheat continues as low as it now is in Sydney, I propose to increase the Government Store to any amount not exceeding 100,000 bushels.

“The silos of which I have spoken are excavations in the solid (sandstone) rock, shaped like a large bottle, and capable of holding from 3,000 to 5,000 bushels each; being hermetically sealed, grain of any kind can be preserved in them for years. The total exclusion of air also entirely destroys any weevil or other insects that may be in the grain, at the time it is placed in the silos; this we found to be the case with wheat which was received from India; it was much infected with weevil when put into the silos in December, 1839, but there was not a living insect in it of any kind when taken again from the silos in March last. The quality of it was not, moreover, in any other respect in the slightest degree deteriorated; had it remained for the same time in a common granary, perhaps one-third of it would have been spoiled.”

Further measures along the lines taken by Gipps, and set out so fully by him in this despatch, had necessarily to be abandoned, when the anxiously awaited Colonial Secretary’s reply was received (Russell to Gipps, 24 June, 1841): (17)

“ . . . I have received your despatch . . . on the late occasion when the proceedings of the Colonial authorities were sanctioned by Her Majesty’s Government, the Colony was suffering under the pressure of actual want, and the measure then adopted was not the purchase of corn, but such a guarantee on the part of the Government to importers as would secure them from loss on the corn ordered by them from India, South America, and other distant quarters; whereas your more recent measure has been to purchase corn in a season of great plenty, in order to store it against any season of scarcity which might hereafter occur. That proceeding is therefore open to all the ordinary objections to the interference of a Government with the Corn Trade. Her Majesty’s Government feel convinced that the measure which has now been adopted by you, instead of relieving future scarcities, will, by introducing uncertainties into all the operations of the Corn Trade, have a strong tendency to paralyze that trade, and to discourage the growth of corn and the importation of it from other places, besides which, Government undertakings of this nature are particularly liable to lead to waste, miscalculation and mismanagement. . . . Her Majesty’s Government sees no sufficient reasons for making New South Wales an exception to these general rules.”

**CONSERVATION PRECEPTS.**

If, for reasons that are at once obvious, it would have been a dangerous precedent for Government to have developed into the main holding agency of surplus grain, purchased on the cheapest market and from any source, a contrary policy of producers, either singly or together, building silos for reserve holdings, would possibly have been the one means by which the solvency of agriculture could have been maintained. Of all the problems which worried the farmers of the early Colony, not the least was the difficulty of holding on to their supplies. Waste and destruction of stocks by pests and weathering must, in total, have been responsible for immense losses over the first fifty years of settlement. Silos were unknown. If, therefore, wheat could not be taken by the Commissariat, it was often sacrificed to unscrupulous dealers at less than its proper value, since there were no means of holding it. It is thus of considerable interest and major significance to note this article in the "Australian" of 1 February, 1842, advocating the building of silos as the best means of conserving produce and overcoming the constant blighting successions of gluts and scarcities. In modern times, this same gospel is preached to farmers, year in year out, by Departments of Agriculture, to avoid waste, conserve stock and other feeds, and thus enable continuity of production to be maintained and stabilisation of agriculture ensured:—

"The treatise upon silos, which we reprinted last number, is calculated to interest our colonial readers generally, and particularly those who reside in the agricultural districts of the country. It would be unnecessary to point out at any length the peculiar advantages which would accrue from an extensive building of these receptacles upon the farms in the interior. The greatest natural drawback to our Australian prosperity undoubtedly consists in the droughts with which we are occasionally, if not periodically, visited. One of the most direct and disastrous consequences of these droughts is that we are unable to reckon upon regular grain crops. That our supply of the staple article of food is, and has heretofore been, dependent upon foreign countries; that thereby not alone is a large amount of specie annually taken out of the country in order to purchase grain, flour and bread, but the market of these articles is subject to extreme fluctuations most injurious to the general interests of the community. . . . We have, particularly, some months back, decidedly expressed our opinion that if the agriculturist was adequately protected, there can be no doubt that he would be encouraged to undertake such operations as would show that the Colony is capable of annually producing grain enough for the consumption of its inhabitants; an opinion which was none of our hazarding, but which is based upon the assurances of many of our most approved and experienced colonists.

"Be this, however, as it may, there can be no question whatever to the mind of any rational man, but that the construction upon an extensive scale, of silos or subterranean granaries, is a wise measure of precaution, and one which it is peculiarly incumbent upon our farmers to undertake, with as little delay as may be. The three principal advantages arising from silos . . . are simplicity and cheapness of construction; security against vermin; equalization of the supply of corn, and the prevention of scarcity by storing up

the superabundance of one season to meet the deficiency of another. . . . It has been supposed by many settlers that the expense of building silos would be too great to be undertaken with advantage. That this is an error must be obvious from the statement before us, from which it appears that a silo large enough to contain one thousand imperial bushels of grain would not cost more than £20. . . . With reference to the second advantage . . . . experience has shown that grain so stored is preserved in a thoroughly sound state. As an instance of this, the paper now before us states that 'A silo, filled with maize and millet, was opened at Camden after the expiration of six months, and a great part of the grain taken out: it proved to be in a state of perfect preservation.' . . .

“. . . . The third advantage pointed out, namely the equalization of supply and prevention of scarcity, must be self-evident. If, during an abundant harvest, a large quantity of surplus wheat was stored in the underground granaries all over the country, it must be obvious that the community could be supplied from them in the time of dearth, and thereby would be spared the expence of sending away ready cash to foreign countries who have notoriously given us in exchange an inferior article, and not seldom the refuse of the market. . . . We have been thus particular in noticing the subject, as we wish to draw the special attention of our agriculturists to its importance and to the pecuniary advantages which would obviously accrue to them by adopting the suggestion in the Report. At the same time, we cannot but observe, in conclusion, that supposing silos were extensively constructed in the country, a steady supply of grain for the town markets cannot be confidently relied on until the roads are placed and kept in an efficient state of repair. . . .

“. . . . An easy communication between places is in itself no unimportant element of wealth. It is quite possible, for instance, to have a large supply of wheat in the country, and yet to find the Sydney markets empty. At this present moment we well know that there is a great deal of wheat in the interior, but owing to the badness of the roads and the delay, the loss of time and labour, it would not remunerate the grower to send it to Sydney. . . . Thus last week, wheat was fetching at Goulburn no higher price than 3s. a bushel. But if the roads were good and the transit therefore safe and speedy, the farmer would be induced to send his produce to the capital, and thus not only obtain a remunerating return, but contribute in lowering the market price to the metropolitan consumer. What men, however, in this Colony can be induced to work upon the roads, except convicts?"

This emphasis upon conservation, here so strikingly set out, was towards 1840-1842 becoming increasingly the viewpoint of the colonists. Several other references to the subject could be made, but a quotation from a pedagogic correspondent at Port Macquarie in 1840 is sufficiently illustrative of the new understanding, bought at bitter experience from successive droughts and shortages. ("Australian," 4.1.1840):

*"The Harvest. Port Macquarie.* We state, with regret, that the agricultural Report of this district for the present season is not expected to be a flattering one. Notwithstanding the promising appearance of the crops, the harvest has by no means equalled the

expectations so warmly entertained in the commencement. We confess that we are not altogether surprised at this result. For the harvests to be always equally productive, is not the order of nature. The variations in the aggregate produce of a country in different seasons, though not so great as are commonly supposed, are still very considerable, and experience has shown the colonists that two or three luxuriant harvests are invariably followed by those that are deficient. A deficiency of this nature is probably a Providential dispensation for the purpose of checking improvident and wasteful consumption, and should be the means of teaching the colonists the necessity of withdrawing a portion of the redundant supply of favourable years, in order to provide a relief stock against those years of scarcity which are sure to recur at intervals. The importance of the subject in this point of view, might excuse us for dwelling long upon it, but we hope the sagacity of the colonists themselves will speedily be directed to a trade in corn, which will anticipate the recurrence of periods of distress and alleviate to a great extent the misery inseparable from bad harvests. We also hope that all ranks and orders, but especially the lower, will remember it is indispensable to use great economy that they may no longer be exposed to the ruinous vicissitudes of scarce years. The exultation at an abundant harvest is often, we fear, too apt to excite a tendency to a thoughtless kind of convivial prodigality. . . . The colonists will pardon these suggestions, for corn forms so important a feature in the consumption of all classes, and enters so materially into the expenditure of the labourer, that any increase of its price occasions misery and withholds comforts, in a far greater degree than would be done by enhancing the cost of almost anything else."

Reference to the problems of insufficiency in the 1830's and of the times before may fittingly close with these quotations, diagnostic of probably the most considerable difficulties of early agriculture.

### **HIGH PRICES AND MONOPOLY.**

Commerce between the separate settlements and between the Colony and overseas countries developed greatly in the years following 1820 and particularly in the latter half of the 1830's. The trade of the Colony was carried on chiefly with England and her dependencies but had otherwise a strongly international character. Sir T. A. Coghlan gives this description of the extent of this trade (<sup>18</sup>):

"The foreign goods included tea from China; rice from the East; coffee, pepper and spices from the Dutch East Indies; tobacco from the United States and Brazil; pitch and tar from the United States and Scandinavia; cigars from Havannah and Manilla; sugar from the Philippine Islands; and wine from Madeira and Teneriffe. From the United Kingdom the Colony was supplied with almost all its manufactured foods. As for the colonial trade, reports show that wine and raisins were imported from the Cape; sugar from Mauritius; rum from the West Indies. New Zealand sent flax, potatoes, timber and maize, to the extent of about £25,000 yearly. Intercourse with India which had been so frequent in the earlier years . . . revived slightly after 1827. rice, sugar, and cigars were imported thence, and there was a small export of horses and coal.

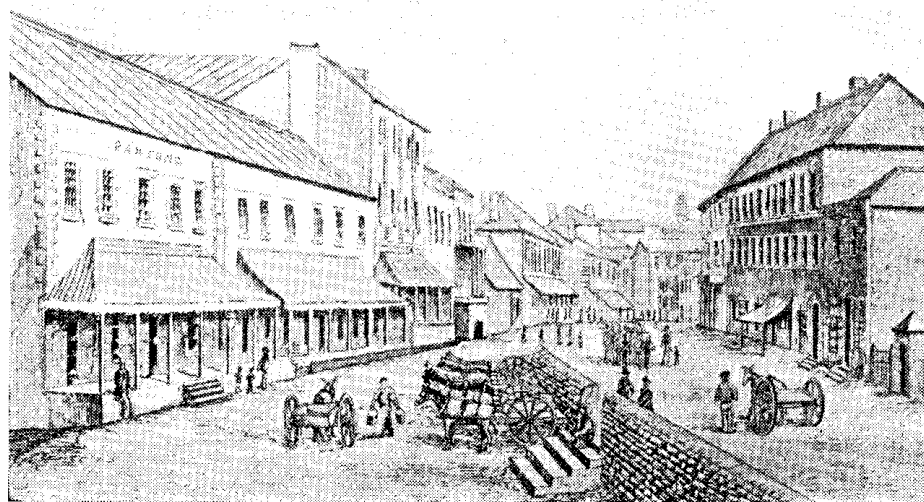


“Communication between New South Wales and Van Diemen’s Land, which, during the earlier years, depended upon small traders, whose departure was often delayed and whose voyage impeded by weather conditions, became regular and more rapid. There were frequent sailings of colonial vessels and the ocean traders now regularly called at Hobart on their voyage to Sydney. . . . The chief articles of export both of New South Wales and Van Diemen’s Land were wool, sealskins and timber, and of these the first two were by far the most important. . . .

“With the development of trade already noted, there was a corresponding increase of shipping. In 1826 sixty vessels with a capacity of 17,178 tons, arrived in New South Wales; ten years later the number of vessels was four hundred, and the tonnage 80,014. It will be noted that the average tonnage declined from 286 to 200 tons; this was mainly due to the number of small colonial vessels employed at the latter period. Shipbuilding, which promised well during Macquarie’s regime, languished during the period immediately after his departure, but after 1828 there was an important revival. In 1833 there were thirty-five Australian-built vessels trading to and from Sydney and various colonial ports and the islands in the Indian and Pacific Oceans, and in addition there were some forty colonial vessels engaged in the whale fishery. The first steamer made her appearance in colonial waters in 1832, and in 1834 steam packets were plying regularly between Sydney and Maitland, Newcastle and the Hawkesbury—a very strong indication that an industrial era was setting in, which would soon swamp the uneconomic condition of the original penal settlement.

“(Notwithstanding) the natural result of the more settled condition of the colony and of its increased intercourse with other countries, prices were, nevertheless, subject to considerable fluctuations. This was especially the case with bread-stuffs, for which—notwithstanding the attention paid to wheat-growing in Van Diemen’s Land—the settlements as a whole were partly dependent on outside supplies. Many other articles of food and almost every class of manufactured goods had to be imported, and the supplies of these articles were not so regular as to maintain a steady level of prices.”

It has been previously noted in other sections of this study how trade within the Colony and between the Colony and other countries was wholly in the hands of the trading and merchant houses of Sydney. From the very beginnings of settlement this trading had been a highly lucrative business and thoroughly unscrupulous when it suited the purposes of the merchants, if we may believe the contemporary accounts. There are innumerable references to profiteering on spirits, tobacco, tea, sugar and breadstuffs—these items constituting the consumption goods required by all sections of the community and most in demand. No doubt there were considerable difficulties and risks involved in this trade and not always was it profitable, for there are frequent contemporary accounts of losses suffered by the merchants of Sydney. But the traders were throughout the period of early settlement—perhaps even as late as the 1870’s—viewed with not a little suspicion. It was indeed difficult for the purchasing public of these times—even as it is to-day—to understand why prices should have been so subject to such frequent rises, and few were able to understand the ramifications of



GEORGE-STREET NORTH IN 1847.

*It has been said that the streets of Sydney were laid out by the bullock waggons of the early settlers. This is not correct, since there were no bullock waggons in the first fleet and, even if there had been, the contour of the ground itself must have prescribed where the main roads should run. The somewhat crooked course of George-street North as far as Grosvenor-street is simply the result of man seeking the easiest way in a circumscribed area. The slight turn from Essex-street to Grosvenor-street is due to the fact that Phillip's Lieutenant-Governor selected as the site of his house the south corner of George and Grosvenor streets, and to the south of it barracks had been erected.*

*In the illustration, the first building on the left (Paxton's) was Australia's first post office. Next to it is the home of Mrs. Reiby, Sydney's first woman merchant. The wall in the centre divided the street into a high and low level, on the higher part of which, in front of a row of stores erected by Joseph Underwood in 1822, the Commissariat guard is seen. On 6th October, 1810, Governor Macquarie published a general order which ran—"The principal street in the town and leading the middle of it from Dawe's Point to the place near the Brickfields where it is intended to erect the first toll bar, being upward of a mile in length, and hitherto known alternately by the names of Sergeant-Major's Row, Spring Row, or High Street, it is now named George Street in honour of our revered and gracious sovereign."*

*In 1812, a contract for the making of George-street, from Hunter-street to Brickfield Hill was let to a certain William Roberts, who undertook to "well and truly perform the work and labour requisite thereon and thereto, and find and provide the materials for making the said street 40 feet wide—to complete in 7 months and to keep in order for a further 2 years, in consideration of which he was to receive the quantity of 400 gallons of spirits (at and by instalments) and to be allowed to purchase 3 bullocks from the Government herds, for which he was to be allowed 18 months to pay."*

*(cf. C. H. Bertie—"The Story of Old George Street" (1920); C. H. Bertie et al.—"Peeps at the Past.")*

industry and trade in all their complexities. The references to "conspiracy," "extortion," "profiteering," "monopoly," occupy many a page of the newspapers from the first years of the "Sydney Gazette" right through the period of this survey, to 1842, when a number of colonial newspapers circulating freely within the Colony were able to provide a convenient forum for the colonists and settlers to air their views and complain of the unsatisfactory state of the settlement of their adoption. It is not necessary to enter into any detail in respect of particular controversies but it is important to point out their presence, for otherwise it would not be possible to fully understand the early Colony's pre-occupation with customs duties, free trade versus protection and the monopoly exercised by its mercantile class. A few illustrations dealing with the period 1830-1842 will help to explain the general position.

Two articles appear in the "Sydney Gazette" in following issues of 26 April, 1834, and 29 April, 1834, headed "Conspiracy! Extortion!" and in these a reaction against rising prices of flour and bread is at once evident. This illustration is particularly useful because of the fact that a rejoinder to these articles was written to the "Sydney Herald."

The extracts speak for themselves. From the "Gazette," 26 April, 1834:

*"Flour Extortion.* We really do think that in the state of the Colony, both as regards the quantity and quality of the grain on hand, a more barefaced trick in raising the price of flour was never made than that which has this week distinguished the Colony. Are the industrious poor to become, by the tacit permission of the Government, the victims of extortion? Are they bound to bear with the monopoly of a few millers who load their granaries with some months supply of grain and then raise the price of flour 8s. per cwt. in one short day? It is no less disgraceful to the few who hold this power that they enforce it than it is a scandal to the legislature which permits such a power to rest in a few individuals without some check upon its exercise. This grinding monopoly we have condemned from time to time, and our remarks have, strange to say, called forth the occasional jibes and jeers of a contemporary. Let him and the Government look to the evils inflicted upon families by the rise of 2d. in the price of bread—the 2 lb. loaf being now 6d.—and then say whether public indignation should not rouse itself and place a reasonable limit to the rapacity of men who seem only to think of extortion and to disregard the privations which the flour combination must induce. There are surely some men in Sydney who will come forward and send a petition to the Government for an established assize, from house to house, until the general cry shall oblige the authorities to listen to an appeal founded upon the very best of all principles. We have laws to abate nuisances—laws for killing dogs—and laws for impounding cattle! Were these of greater importance to this community . . . than the necessity of imposing restrictions upon a number of individuals who are by this measure actually carrying starvation into the hovels of the poor and enriching themselves by wringing . . . from the necessary subsistence of the lower orders a portion of their daily allotment."

In the same issue of the "Gazette," it is interesting to notice a letter supporting the complaint against rising prices:

"Sir, I highly approve of your noticing the conduct of bakers and millers in this Colony. I find this morning that the 4 lb. loaf, which only weighed  $3\frac{1}{2}$  lb., yesterday charged 8d., is to-day 1s., without any tangible cause, unless the rise of 8s. in the 100 lb. of flour; but is this rise in bread, say 4d. per loaf, in any just proportion? It is an infamous fraud on the public at large . . ."

The complaints are further developed in the following article in the "Gazette," 29 April, 1834:

". . . Instead of a 4 lb. loaf for 8d., poor people now run the chance of paying the same sum for 2 lb. of bread . . . wages continuing the same, and house rent suffering no . . . diminution. Here are a few men raising the necessaries of life with impunity to an enormous, a ruinous price. . . Even the settler, who has parted with his wheat at a flattering price will now be obliged to feast upon maize, for it would be death to his prospects to purchase flour. The only prospect we have of a fall in the price of this necessary article arises out of the expected arrival of an American ship with a bumper cargo. The millers saw that if they allowed the Yankee to come in flour would fall from 17s. to 10s. and thus they reasoned, 'Let us raise it to 27s. and we can, when the American arrives, fall it to 17s., if necessary, without loss.' Here is part of the trick. Then again came the Tenders for flour to supply the public service. 'If we,' so say the extortioners, 'keep up the price, the Government will be obliged to receive our Tenders at a high rate.' Thus Tom gives to Jack so much money to let him have the Tenders which he can well afford. The poor duped Government therefore pays the piper in the first instance, and then the people suffer from the human leeches, who draw their flesh from the very bones and reduce them to shadows for the purpose of gorging themselves . . ."

Nothing can be clearer than these accusations directed against the millers and bakers. The vehemence of the language is typical of much of the newspaper writing of the times, and it is evident that the "Gazette" is in opposition in the stand taken by others of its contemporaries. It is significant that the reply to these two articles was not sent to the "Gazette," but to the "Herald," in which it was published on 5 May, 1834, without comment. The reply when read fully is at once seen to be a clever piece of writing by "Vindicator." Here it must be abstracted:

"Gentlemen, respecting the late rise in flour . . . concurring testimony from all parts of the Colony has established the fact that the last wheat harvest failed in all the upper country, and in the lower, fell very short of our real wants. The promise afforded at one time by the crops was in great part destroyed by the heavy rains in harvest, and the unusually destructive visitations since, of the fly and weevil, have caused at the very least a diminution of one-third of the quantity. . . . The high price of any commodity, the object of monopoly, in an instant sets means at work to obtain from other sources a supply of the article required, and a share of its price. So is it the case at the moment with wheat, except that instead of there being abundance in few hands, there is but very little in the Colony. The want that must have been inevitably felt

before the end of the year had the price of grain not risen at this period, and the supply been dribbled out at a low rate, will now be averted by the spur given to the enterprise of the merchant, who seeing that he may obtain remunerating prices for imported grain, takes prompt measures for our timely relief from the horrors of want. . . . When the demand for flour exceeded the supply of wheat—owing to the settlers holding back on the necessity of their sole attention for a time to their agricultural operations, or the state of the roads—the price of the former rose; the grain then offered extraordinary returns to the grower, and it came down in abundance, with a gradual decline in price, until equality was again established. . . . No person in this Colony can be poor if he is industrious! and if the present price of bread pinch that class so closely as is represented, let it abstain a little only from the vice of drunkenness so common to it, and the difference will not only render the price of the ‘staff of life’ immaterial, but a benefit superior in effect to the efforts of a Temperance Society. Three-fourths of the wages of the ‘Industrious poor’ are spent in spirits! and the ‘diseases that flow from poverty’ are not caused here by the price of bread, but by intemperance. . . . The ‘industrious poor’ hitherto have contributed about £100,000 a year to the revenue as duty on spirits.”

Nevertheless, it would appear that in the arguments for and against these rises in prices in the uncontrolled Colony of the mid 1830's, the weight of opinion was on the side of those who complained against extortion and monopoly. In September, 1834, there was formed an Australian Wheat Growers and Consumers' Society with professed objectives “to protest at the exorbitant prices by the few wealthy millers in whose hands flour and grain are chiefly confined at present . . . and to form a society of shareholders . . . to buy wheat direct from growers and importers.” (S.H. 22/9/1834.) W. C. Wentworth may have been one of the moving spirits behind the creation of this society, for his name appears on the list of the provisional executive. It is of some interest in this regard to note an advertisement in the “Australian” of 22 September, 1834, relating to the reasons behind the organisation of the society:—

*“Australian Wheat Growers and Consumers' Society.—*At a public meeting at the Royal Hotel on Friday evening last, upwards of 500 persons present, Mr. John Mackie in the chair, the following resolutions were unanimously agreed to:—

“Moved by Mr. Kentish and seconded by Mr. Mackellose: That no scarcity of wheat exists in the Colony sufficient to warrant the exorbitant prices at which it is now selling, by the few wealthy millers in whose hands it is chiefly confined at present.

“*Second.* Moved by Mr. Bibb, and seconded by Mr. Shepherd: That it is therefore expedient that those persons who would obtain bread at a reasonable price should unite their means, by the formation of a Society of Shareholders, to purchase wheat of the growers or importers. (It was understood that a preference should be given to the growers when practicable.)

*“Third.* Moved by Mr. Hamilton, and seconded by Mr. Edwards: That a Company be now formed, to be called ‘The Australian Wheat Growers and Consumers’ Society,’ to consist of an unlimited number of shareholders, of one pound each; no member to hold more than 100 shares. The shares to be paid for by instalments, as may be found necessary, and called for by a Committee of Management, to be now appointed.

*“Fourth.* Moved and seconded, and carried by acclamation that such committee shall consist of the following gentlemen . . . (21 names).”

In a letter to the “Sydney Herald” (19 January, 1835), details are given of the success of the Company in its objective to keep down prices and break the grip of monopoly. Here, as elsewhere, strong comment is given comparing the procedures taken in England to prevent monopolies developing, as contrasted with the position in the Colony where Government was inactive. The high prices would appear to have constituted a continuing affliction, for similar complaints are to be noted in 1840. In one letter to the “Sydney Herald” (27 May, 1840), the “millers and flour-dealers” are again accused of extortion, and the bakers of malpractice in overcharging for bread and fixing prices bearing “no relative proportion to the price of wheat.” The suggestion is made that a Milling and Baking Company should be formed of 1,000 shareholders. In support of the accusations made, the writer purports to show how 20 lb. of home meal flour gives 28 lb. of bread. On the basis of a bushel of wheat weighing 60 lb. selling at 12s. per bushel, the price of grain used in the baking of 28 lb. of bread should be 4s. The baker, however, charged 7s. 6d. for this bread, and the correspondent enquires why there should be this discrepancy. In England, so it is stated, when a bushel of wheat is 12s., then a 4 lb. and 5 oz. bread loaf (quartern loaf) sold for 11½d., whereas in the Colony of New South Wales a loaf of equal size would sell at 1s. 3d. to 1s. 4d. A further quotation is illustrative of the same position in 1840:

*“Flour.* The price of flour has advanced £5 per ton, owing not, we believe, to present scarcity, but to an apprehended deficiency before next harvest. It has been pretty generally ascertained that very few foreign importations of wheat will take place and that the quantity from Van Diemen’s Land will not be so large as was anticipated. We have made the following calculations. . . . There are five months to harvest, and the consumption of Sydney is reckoned at 40,000 bushels per month or 200,000 bushels for five months’ supply. . . . The quantity in the hands of the millers and merchants, and the quantity likely to be brought to market by the settlers will not exceed 100,000 bushels—leaving a deficiency of 100,000 bushels. But supposing the supply from Van Diemen’s Land to be 40,000 bushels, still there is a large amount to make up, besides the increased demand expected from New Zealand, and increased immigration of at least 5,000 people. . . . We therefore caution the public to husband their resources and to use rice whilst there are ample supplies of it. . . . Everyone in the Colony should be careful of every particle of wheat or flour . . . we were led to believe that several large shipments of American flour might be expected but they have not yet been received, although we know that the first instalment of the requisite money must have reached America some time since.” (S.H. 31/7/1840.)

It is clear from the veiled and often open accusations made, that the merchant monopoly of trading, with its cornering of oversea supplies and engineering of rapid, unpredictable changes in prices, was one of the besetting evils of the later Colony, in just the same way as it earlier had caused distress. It is understandable that a sense of money values was often lacking in the men fitting out their waggons and trekking to the interior in the period of the squatting expansion, for general anticipations were that fortunes were to be quickly won from wool and cattle, so what did it matter what prices had to be paid for a few paltry supplies? Money was cheap; credit easy to acquire; and prices were correspondingly high. But for the poor and the labouring classes, it is quite easy to see that the boom period was one of misery due to the inflated prices for necessaries. Perhaps it is sufficient to close this brief reference to the subject by noting an article in the "Australian," 12th February, 1842, dealing with the creation of a local sugar industry:

"We reprint a new Prospectus of the Australasian Sugar Refining Company. . . . The Company is now prepared to enter into business effectively and with the least possible delay. . . . We look upon this undertaking as most important to the community at large. . . . The effect will be to render us independent of foreign markets in the indispensable article of sugar, and to affix a steady market price of not more than 5d. a pound upon loaf sugar; in addition to a guarantee on the part of the Company that the article supplied shall be first rate. At present it is notorious not alone that sugars are sold here frequently in a damaged and adulterated state, but that very great fluctuations in the price happen, which are highly injurious to the public as consumers. Of all articles in the Sydney trade, there is perhaps none, with the exception of flour and tea, in which so much reckless speculation, so much gross jobbing and monopoly, has taken place, than in the article of sugar. In these three items of flour, tea and sugar, the most unprincipled doings have to our certain knowledge taken place, and we have felt strongly tempted at times to show up the bank that too often feeds the monopoly and the names of the parties concerned. . . . We are glad that in this particular commodity of sugar at least, monopoly must be done away with, in as much as the Canterbury Works can produce at all times an amount equal to the fair market demand."

### **BOOM, CRISIS AND DEPRESSION, 1839-1843.**

In an earlier essay, a mention has been made of the events leading up to the depression of 1841-43. The crisis of these years was known for a generation later as the "bad old times." The acutest phase was reached in 1842 and 1843 and recovery thereafter was slow until 1851 when the great gold discoveries "precipitated Australia into a nation," to use Wentworth's expressive phrase.

All through the 1830's nobody had foreseen a possible check to forward expansion. Stock numbers were increasing and wool exports expanding yet there had been a gradual falling off in the price of wool on the London market. In New South Wales and Port Phillip the grazing industry dominated the whole industrial situation and its sanguine expectations were supported by a wave of speculation which gripped every section of the community. Yet the real economic situation of the

Colony may be gauged with some degree of accuracy from the price obtained for its wool. The following table gives the prices obtained in London for Australian wool of average quality which had been washed and rather imperfectly freed from grease (<sup>18</sup>):—

Price per lb.			Price per lb.			Price per lb.		
	s.	d.					s.	d.
1836	...	2 0	1842	...	1 3	1848	...	1 1
1837	...	1 6	1843	...	1 1	1849	...	0 10½
1838	...	1 5	1844	...	0 11½	1850	...	1 0
1839	...	1 2¾	1845	...	1 2	1851	...	1 1
1840	...	1 3¾	1846	...	1 3			
1841	...	1 2¾	1847	...	1 1½			

The continuous expansion of production, however, becomes clear by noting the statistics of wool exports. Practically the whole of the wool shipped from Australia was carried to England, these shipments advancing from 7,213,584 lb. valued at £442,504 in 1839 to 41,426,655 lb. valued at £1,992,369 in 1850. The year by year increases in this period are shown in the following table (<sup>20</sup>):—

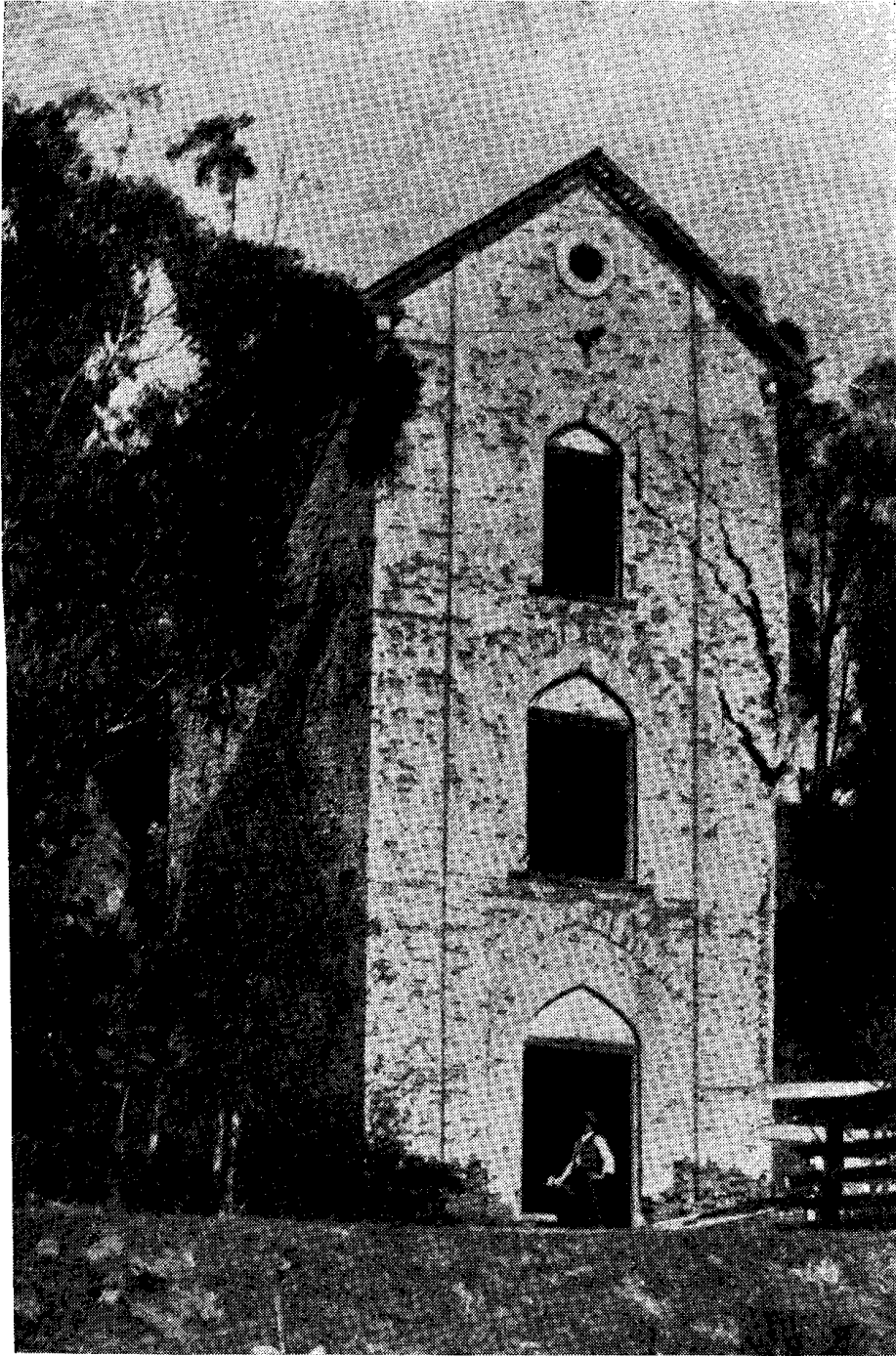
WOOL EXPORTS.			WOOL EXPORTS.		
	lb.			lb.	
1841	...	12,959,671	1846	...	26,056,815
1842	...	17,433,780	1847	...	30,934,567
1843	...	17,589,712	1848	...	35,774,671
1844	...	24,150,687	1849	...	39,018,221
1845	...	21,865,270	1850	...	41,426,655

Even as early as 1850 Australia was in a position to supply more than half the imports of wool of all kinds into Great Britain, in this year shipping 41,426,655 lb. of a total of 74,326,778 lb. imported by Great Britain. The relative position of the pastoral industry in each of the States by 1850 may be gauged by noting this further dissection, which makes clear the unprecedented development of Victoria (<sup>21</sup>):—

WOOL EXPORTS (1850).					
				lb.	£
New South Wales	...	...	...	14,270,622	788,051
Victoria	...	...	...	18,091,207	826,190
South Australia	...	...	...	2,841,131	113,259
Western Australia...	...	...	...	368,595	16,000
Tasmania	...	...	...	5,855,100	248,869
				41,426,655	1,992,369

The financing of the considerable expansion of the pastoral industry in the 1830's was undertaken with British capital. In 1834, there were only two banks in the colony which had between them a paid-up capital of £84,321. In 1836 the chartered Bank of Australasia was formed, having its headquarters in London, with branches and its principal business in the Australasian colonies, and in 1839 the Union Bank of Australia was founded upon the same lines. A local institution called the Sydney Bank was also opened in 1839. The position as reached in 1840 was that there were five banks in the Colony, with a paid-up capital of £1,300,875, which was increased during the next four years to £2,300,955, and two English Trust Companies. Whilst several of the banks had branches in the other Australian Colonies, the great bulk of their capital was employed in New South Wales (including the Port Phillip district), and was far larger than could be used with advantage.





BOYDTOWN, TWOFOLD BAY—WOOL STORE.

*Mention of Benjamin Boyd's colourful life and tragic death has been made in a previous article in this series. In 1842, fired with the ambition to be recognised as the founder of a city to rival Sydney, he obtained a large grant of land in the "Maneroo" district of Southern New South Wales, where he employed Kanakas as shepherds "at a wage of sixpence a week with a new shirt and Kilmarnock cap every year," and then set about the laying out and building of a town which was to be in keeping with the large ideas he possessed. During the seven years of*

The prosperous years from 1834 to 1838 had attracted the attention of British investors to Australian investments, and, eager to obtain the 10 per cent. which was regarded as the normal rate of interest in Australia, they poured their money into all sorts of ventures. Assurance companies, loan and mortgage companies, and numerous other commercial enterprises were established and financed from the United Kingdom. Business was run on most dangerous lines, and imports ceased to be limited by the requirements of the local merchants. London merchants, anticipating the demand for goods, did not hesitate to forward large speculative consignments to be sold by auction on their arrival. Luxury and waste were to be seen on every hand, merchants and landowners competing against each other in prodigal and unaccustomed expenditure. The working classes, unused to wages approaching those they were receiving, spent a great part of their money with no thought to the future, and largely upon intoxicants.

In July, 1839, Sir George Gipps described the condition of the whole colony as "one of unexampled prosperity," and some time later, in picturesque exaggeration, declared the country round Melbourne to be "strewn for miles, hundreds of miles, with champagne bottles." "This was an age," states Roberts, "when the auctioneers lavished champagne and chicken on any who cared to attend their land sales . . . and when even the bullock drivers were wont to break bottles of champagne into their buckets and swill what they called their 'gentleman's brew'." (2) Every imaginable excess was tried with the money which circulated

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*Boydton's development the population grew to four hundred, and to supply their varying needs the buildings erected included a church, hotel, light-house and ranges of commodious brick stores and neat cottages.*

*Extensive whaling operations were carried out using Twofold Bay as base, and Boyd built large boiling down works and salting works to handle the catch of the nine whalers he himself operated as well as of the score or so others which set out from the port.*

*Boydton was planned with an eye to the future, a typical example being the Wool Store which appears above. Built in three floors in solid brick-work, it rose until it topped the immediate cliff behind, where its third floor provided means of access from the hill-top upon which there terminated a road leading into the interior. It was here that the wool, shorn from the sheep depastured upon the Monaro Plateau, sixty miles inland, was, after transport in bullock waggons, stored to await shipment from a jetty which jutted 300 feet out into the bay immediately in front of the store.*

*An enterprise so bold in conception and so energetically pursued surely deserved of success, but both local and world conditions proved unfavourable. Wild dogs played havoc with Boyd's sheep and the Kanakas, who knew literally nothing of farming, soon became homesick and lost interest in their tasks. By some means they found their way to Sydney and caused consternation by trooping half-naked into the city whence scandalised citizens speedily repatriated them.*

*Whaling was carried on successfully for some years, the whale-oil exported from Twofold Bay in the period 1843-47 returning about £350,000. However, the whale population of the area shrank under such constant attacks and the onset of a financial slump in the late forties proved to be the last straw laid upon the back of the struggling town.*

*To-day a few forlorn and desolate structures, which seem mutely to appeal for inhabitants, are all that remain of a dream which almost came true.*

(cf. "Ben Boyd and the Wanderer"—Newspaper cuttings: "Whalemen Adventures"—W. J. Dakin; "Benjamin Boyd in Australia"—H. P. Wellings; "Australia, its History and Present Condition"—R. M. Martin (1853) (Mitchell Library).)

so freely. "The years from 1839 to 1842," wrote Judge Therry, who lived through this time, "may be described as marked by prudence in no quarter, unbounded credit and extravagant speculation everywhere."<sup>(22)</sup>

A full account of the events leading to the crisis and depression of 1841-43 is to be found in "Labour and Industry in Australia" by Sir T. A. Coghlan (Vol. I, pp. 473-502), and in the "Squatting Age in Australia" by S. H. Roberts. Fundamentally, as shown by Roberts and Coghlan, the boom was simply the result of the entry of surplus capital in the 1830's, and the crisis and depression, the result of the pricking of the bubble of a fictitious credit structure. There were many contributory causes of the crisis, but it would be merely repeating complete analyses that have already been made to enter into any detail concerning the unsafe credit practices of the Banks and other lending agencies; the ineffectiveness of Government policy at the time and the consecutive dilemmas in which Governor Gipps was placed; the consequences of outrageously high interest rates; the over-capitalisation of almost every enterprise; the raging land fever of the times; the wasteful extravagance; the adverse trade balance of the colony with imports far exceeding exports; the precipitate immigration; the effects of drought and falling wool prices—all associated with the boom period and following depression. These explanations are to be sought elsewhere, and were sufficiently well appreciated at the time, Governor Gipps' opinion being that the cause of the boom and depression of this period was due to "the reckless activity with which capital of all sorts, but especially Banking capital, was poured in, seeking greedy gains at usurious rates, between 1834 and 1840, the mischief beginning with the commencement of business by the Chartered Bank of Australasia in 1836"<sup>(23)</sup>. In the Colony, there had been the previous stock boom of 1826-1828, checked by the drought and depression of 1828-1831, and in England there had been the preceding investment boom of the middle 1820's. The boom and depression of the late 1830's and early 1840's in the Colony must be considered as an extension of both, quite understandable in all the circumstances and almost invariably associated at some time or other with the settlement of all new countries. Experience had necessarily to be bought at considerable cost.

A mention, however, must be made of the fictitiously high prices of stock in the middle of the boom years. Even "ordinary scraggy ewes" then fetched 60s. per head, and prices for cattle were in proportion. The change from the earlier semi-depression period of just before is striking, if this quotation from the "Sydney Herald" of 21 May, 1832, is considered:

"We understand that the Tenders for Colonial salt beef have been accepted at prices which will amply remunerate the breeders of cattle for their great expense in rearing them, as well as for the distress they have suffered from the late low prices. It is believed that government will pay £30 per ton (approx. 3d. per lb.) for all the beef they require. . . . We have long called in vain upon the mercantile part of the community to discover markets for our surplus herds; but the appeal has not been successful. Possessed of an unlimited extent of territory for grazing, if we only had one market for our beef, as we already have for our wool, no Colony could compete with us in our progress and our prosperity. But

hampered, as we must always be, while no profitable mode can be discovered of disposing of stock, a gloom, or want of energy, is diffused over the whole community. The farmer and grazier of this country stand in the room of the cotton spinner, weaver and artizan in the manufacturing districts of England. . . . In nothing does the disparity of prices in former and recent years appear more striking than in the article of stock, whether sheep or cattle. . . . The sudden fall in the price of cattle . . . following the injudicious sale of immense herds belonging to government in 1827 and 1828 . . . was unprecedented and has been the origin of much of our colonial distress and discontent. . . . This colony must remain for a long time a pastoral country. Success in its pastoral pursuits must depend upon a daily accession of emigrants, and on foreign markets for the curing of beef and clearing of wool."

Great hopes were then being built upon exports of beef to India and on the making of an impression upon the mercantile houses of India, the Isle of France, East and West Indies and England. In 1834 this idea was still being entertained, comparisons showing Australian salted beef to be inferior to European and somewhat superior to Cape beef, respective values being, European 4½d. per lb., Cape beef 1½d. to 2d. per lb., New South Wales beef 2½d. per lb. It was thought that provided a market could be built up and quality improved, there was no reason why cattle raising should not prove profitable. (S.H. 21.7.1834.)

In the years of the boom, however, cattle of all kinds were freely bought and sold at inflated values, notwithstanding that markets were no more available than they had been in the years before. It is thus not difficult to understand how the whole cattle trade collapsed once the credit bubble had been pricked and producers were left to face bed-rock reality. Note has been already taken of the spendthrift imports of salted meats in the boom years, this being just an example of an expenditure on luxury goods which the Colony was not really able to afford. It is thus interesting to note the position in the depression year of 1843, when with a jolt, the colonial stock producers found themselves in exactly the same position as they had been in 1831-1832, before the intervention of the boom:

"*Sydney Salting Company.* This Company is now in full operation, slaughtering and salting bullocks at the rate of twenty-five a day. The process is that described by the Deptford Regulations, and the meat will be packed in casks bearing the Company's brand. We congratulate the Colony upon the Company being now in full operation and would suggest that to make the quality of the meat known, samples should be sent off as early as possible to the Commissariat Department at Bombay, Madras, Calcutta and Hong Kong, as there are reasons to believe that the Home Government may resolve upon supplying the ships and troops on the Indian station with beef from the Colony." (N.S.Wales Magazine, July, 1843, p. 359.)

Development of cattle raising, in its simplest analysis, would appear to have simply raced away from the available limited markets.

With sheep raising, expansion had taken place on the wave of high prices for wool and correspondingly high prices for cul and surplus sheep. Men argued that the fall in the price of wool from 2s. to 1s.

per lb. (1839-1841) was a primary cause of the depression of 1843, but depressing though the continued fall had been, it had commenced in 1837 and was maintained throughout the period of extravagant prosperity. (Investments had in fact been entered into in expectation of wool being 3s. a lb.) Squatting could still, nevertheless, have paid with wool at this low figure of 1s. per lb., so long as there were men with credit sufficient to buy the surplus sheep. But once this demand for restocking stopped, disaster and ruin stared sheep owners in the face, in exactly the same way as cattle owners were so affected. Squatting had been a costly business in its hey-day when sheep had been £3 a head and horses were priced at up to a hundred guineas a piece. No small capital was involved in an investment of 10,000 sheep, with all the other paraphernalia necessary for a station. Considerable fortunes were thus lost when with the collapse of the bubble, wool only could be sold, and that at reduced prices. In 1839, when the three years of 1837-9 and over-lambing had brought the price of sheep down to 12s. 6d., things were thought to be at their worst. With the collapse of all credit, however, in 1842-1843, the value of sheep crashed from 60s. to 1s., even with 1s. 6d. worth of wool on their backs. In 1843 anybody could buy up good sound sheep at 6d. a head. An extraordinary pessimism had seized upon all connected with grazing. One grazier, Threlkeld, for instance, sold his 9,000 sheep at the rate of a shilling a dozen! One New England station, with 4,680 sound sheep and 207 head of cattle, was disposed of for £505, the wool given in! Fat cattle came down to 50s. and then to 7s. 6d. Sixty guinea Arab horses could be had for 18s. A grazier owning 10,000 sheep, worth a clear £30,000 a couple of years before, was unable to obtain credit for a chest of the Hysong tea he used.

"The period from February to December, 1843," states Roberts, from whom these illustrations have been taken, "resembled an economic nightmare, with everything breaking down in almost unbelievable failure." (24) The Government was feeding hundreds of distressed labourers, and hundreds, too, were shipping off to Valparaiso. The city was lifeless, the country worse, and it was difficult to see whence relief was to come. Labourers in the town who in 1830-33 had received 18s. a week, 21s. in 1836, 24s. in 1839, 30s. in 1840-41 and 34s. in 1842, were unable to obtain employment and the misery was general.

This setting of complete and utter shipwreck has to be understood to realise the exultation with which a straw, cast by Henry O'Brien, of Yass, into the tumultuous seas of the black period of 1843, was grasped by all those seeing before them nothing but insolvency and ruin. An illustration of the almost lyrical enthusiasm greeting the new discovery, announced in June, 1843, may be noted as a conclusion to this brief sketch:

*"The New Staple:* Since the appearance of our last number, a new and unexpected source of export has been discovered which is now the subject of universal discourse and universal admiration. . . . The one grand cause of depression to the pastoral industry has hitherto been the want of sale for the surplus stock of the flock owners. The fleece alone from the lowness of its price, has not yielded a remunerative profit, whilst the increase from breeding, which was formerly all clear gain, has become so utterly useless that most of the settlers have prevented their flocks from increasing. . . . The discovery that fat sheep

contain tallow, although but a few weeks old, has had the most beneficial effect upon the interests of the graziers. It has been ascertained that by boiling down the entire carcase, the skin and horns excepted, there may be extracted on the average about 20 lb. of tallow from each sheep, which at the moderate valuation of threepence per lb. is worth five shillings. So that sheep that were in April and the beginning of May unsaleable, are now worth 5s. to 8s. each; and below that price, sheep in good condition can never become again; for if they are melted down, the tallow they will produce is worth that sum." (N.S.W. Magazine, July, 1843.)

### THE POSITION OF THE COLONY IN 1843.

In preceding sections of this chapter mentions have been made of the recurrent food shortages which occurred in the ill-balanced Colony of the 1830's, and of the crisis and depression developing at the end of the period of this survey and which was at its worst in the years 1842 and 1843. It may not be inappropriate to now shortly note a few opinions as put forward in 1843 at a time of acutest depression, in which attempts are made to diagnose the economic ills of the contemporary settlement and to suggest ways and means by which rehabilitation and recovery might occur. It will further assist an understanding of the times with which this study is concerned to then briefly note the events of the next few years until 1851 when the discovery of gold in Australia immediately changed the whole future prospects of New South Wales and of Australia as it was then to become.

Firstly, concerning the necessity for further immigration and of an increased attention to agriculture, this article may be taken as one of particular significance. (N.S.W. Magazine, October, 1843, p. 513.):

"Among the obvious advantages of immigration, that of the increased consumption of meat in this pre-eminently pastoral country has never been sufficiently adverted to. If we adopt Dr. Nicholson's statement that our sheep are 6,000,000 and our cattle 800,000, and divide the sexes and estimate the annual increase, it will be of sheep, not less than 2,500,000, and of cattle 300,000. But 160,000 people consuming 500 lb. per annum each (children included) would require (taking beef at one-fourth and allowing nothing for pork or poultry) only 1,200,000 wethers and 40,000 oxen—and we start with 3,000,000 wethers and 400,000 oxen on hand, so that we have the consumption of two years and a half or more of mutton, and of 10 years of beef, without touching our increase; of this, the 20,000 immigrants per annum which we ought to have had, would require in round numbers, one million and a half of wether sheep and 50,000 oxen in four years; take the former at 6s. 8d. each and the latter at £4, below which prices they would not have fallen, and our stock owners would have received £700,000 for property sold, instead of waiting anxiously in the forlorn hope of receiving some part of £500,000 of debentures on property to be pledged—nor would the actual receipt of this large sum be the only advantage; it would prevent the holding of the remaining surplus from being onerous, and indeed the expense of keep so little exceeds the interest of the capital retained in hand, that it would almost prevent their feeling that they had any surplus at all

. . . and when all the pasture land within reach of port or market—say 350-400 miles—had been occupied, every considerable owner of flocks and herds must have become a man of fortune. Boiling, which at present is required to the extent of a million sheep and 150,000 head of cattle, would cease . . . what we chiefly require is more market for stock—that is, more mouths to feed, and since we cannot to any great extent send our meat to the mouths, we must bring the mouths to the meat, which, as they will be open for the reception of other articles and will be accompanied by bodies which require to be clothed, etc., will answer much better.

“A further cause of our distress—the import of one-third of our consumption of wheat, flour, etc., opens upon us as of far more importance than at first realised. That import in four years from 1839-1842 inclusive, has amounted to 865,000 bushels of wheat, etc., and to 32,865,000 lb. of flour, equal to 821,625 more bushels of wheat . . . . The declared value of the four years imports, including potatoes, etc., was £816,875 and as foreign wheat and flour is never valued at more than one-half the market price, we may assume the real value to have been £1,600,000 or £400,000 per annum. Our 160,000 people will consume, at 8 bushels each, 1,280,000 bushels per annum, and we have 57,000 acres under wheat crop, producing 14 bushels per acre or 798,000 bushels, so that we import of wheat and flour, a quantity equal to more than 400,000 bushels of wheat, the remainder of the £400,000 of value being in other grain, potatoes, etc. . . . It appears that we sent away upwards of £400,000 cash per annum for the four last years. How did we obtain it? Simply by exporting about 8,400,000 lb. per annum of wool, which at 1s. nett per lb. just paid for the food we were compelled to buy. Our wool then is not an export availing anything in the balance of trade, but every shilling of its produce is required to feed our people. Nay, if the value of the imported meats, butter, and cheese be taken into account, the whole land of the Colony does not feed its 150,000 inhabitants . . . . Here again the absurd minimum price of land comes into pernicious operation by causing an entire disjunction of agriculture and stock farming which would so powerfully assist it. Since no man can purchase land for the mixed purposes of agriculture and pasturage, the agriculturist, if he possesses stock, keeps it upon a run 200 to 300 miles from his farm, whereas if large tracts were purchased at 2s. 6d. to 5s. per acre, the small portions suitable for agriculture would be broken up, and the remainder form sheep and cattle runs . . . . Agriculture should be an adjunct to dairy farming wherever the market be not too distant, as we continue to import large quantities of butter and cheese. There is in these united pursuits much scope for colonial activity. But for all this we require not only a large influx of the labouring population . . . . but agriculturalists of high and middling grade. We have both to a considerable extent in our class of squatters, but we have ample room for more. If by an inviting minimum price of land, a fund should be again created and immigration restored, all will yet be well . . . . But whilst we have only 57,000 acres of badly farmed land annually under wheat crop, and no increase in our number of cultivated acres since our population was 85,000, we must for a time be importers of corn and flour.”

Most of the articles in the *New South Wales Magazine* in 1843 display almost an obsession concerning the rise in the minimum upset price of land from 5s. to £1 per acre. Such a further example may be quoted:—

“The cause of distress is determined by all to be the cessation of immigration of respectable persons, the various amounts of capitalists, as well as labourers. But the cause of the cause, by way of eminence, ‘the cause’ is evidently the advance in the upset price of land from 5s. It is known all over Europe (to say nothing of the insane act of fixing it at 20s.) that sheep cannot be pastured except at a loss upon land purchased at 12s. or more per acre; that the stations within reach of market or port of shipment are nearly full, and that the eyes of the Colonial Government are fixed upon the squatters as objects of taxation. It is also known that although there is much fine corn land in New South Wales, he who would come here to cultivate it would find the price of everything which he required for consumption or use, corn excepted, much raised by indirect taxation, and that those who pay no contribution of any kind, direct or indirect, have free access to his market upon equal terms. Therefore no one comes near us, either for pastoral or agricultural pursuits. That the agriculturalist is deterred by the reason assigned is pretty clear, because 20s. is not a prohibitory price for land of good corn-growing quality. But it is with reference to sheep and cattle farming that the ignorance of our rulers has been so awfully destructive. This fine country arose from the word of its Almighty Creator, eminently pastoral in its character. Man dressed in a little brief authority declares that it shall be agricultural or nothing. Time will show which is the stronger.” (*N.S.W. Magazine*, July, 1843.)

Somewhat half-heartedly, it would appear, there is the renewed raising of the subject of protection and of the old formula of using agricultural produce in the distillation of spirits, both of which, when arising in the earlier Colony as matters of policy, have received some consideration. (*N.S.W. Magazine*, November, 1843, p. 582):—

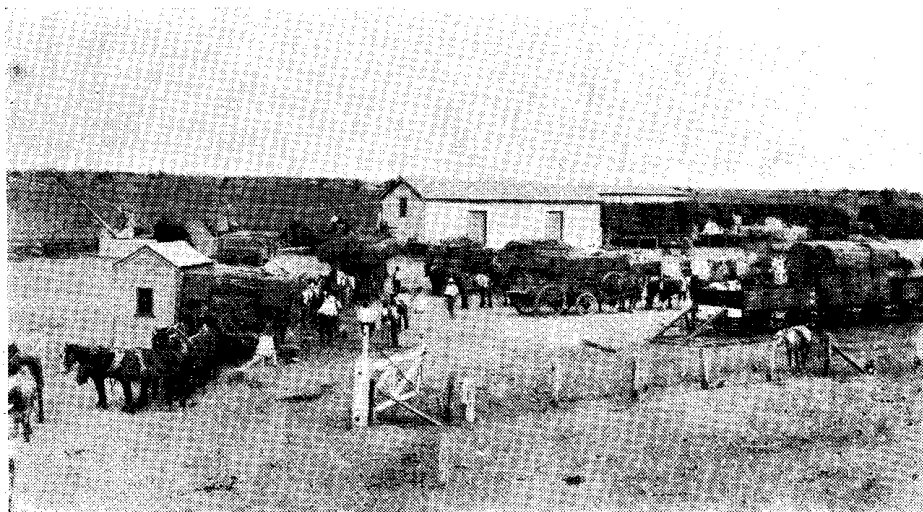
“Our present and most urgent necessities require (1) Such reduction in the upset price of land as shall revive the beneficial exchange of useless land for useful labour and shall attract industry and capital to our now neglected shores . . . . (2) Such moderate duty upon imported agricultural produce as shall give to our cultivators protection equal to contribution, and thereby restore a value to our productive acres and retain within the Colony our cash to aid domestic industry . . . . Furthermore, such modification of the duties upon colonial spirits as would induce the distillers to use malt, and farmers to introduce barley into their rotation of crops, would be an enormous boon to agriculture. (That, in a country in which ten times the required extent of land of great natural fertility is to be found, we should be unable to produce food for 160,000 people, and be compelled to pay away the whole produce of our wool, which ought to be the set-off against European merchandise, to purchase agricultural produce, chiefly of those who require nothing from us but our cash, is in itself sufficient evidence of an entire misapprehension on the part of our government of the nature of our resources, or of the means by which they may be developed) . . . . (3) The correction of monetary confusion, so far as it exists, by the establishment of a Government Colonial Loan Bank, and



Bank of issue. Let these things be done, and our fine climate, our large extent of fertile land, our unequalled pasturage, and the advantages of our commercial position will . . . do the rest."

Much the same considerations are referred to in this earlier article (*N.S.W. Magazine*, May, 1843, p. 571) :—

"Meantime the exports look well—salted beef, hides and tallow are being shipped to a considerable extent and are so much of clear addition to our former exports—the clip of wool is expected to be very heavy—probably exceeding 10 million lb. and the continuance of rain to within a few weeks of the average shearing time will enable the growers to get it well washed, and to bag it in good condition. The prices of fat beasts and sheep continue low but are no longer ruinous. It would be quite possible for the Colony to adapt itself to the present rates, although a small advance in fat cattle would be very desirable. Wheat and flour look rather better. It is understood that the late arrivals from Valparaiso stand the



MOREE RAILWAY YARDS.

The photograph shows the arrival and departure of teams carrying wool to the Moree Railway Yards about the close of the nineteenth century. At the time of its establishment in 1857, Moree was surrounded by a number of large sheep and cattle stations and was founded in response to the following petition:—*"Moree, March, 1857. To the Honourable the Secretary for Lands and Public Works, Sydney—We, the undersigned inhabitants of the Gwydir district, do hereby request the Government to take immediate steps for surveying and laying out of a township at Moree, in this district, and also put up for sale town and suburban allotments at the said place as soon as they are offered for sale, and further that such a township would be of great public benefit."* The signatories were mainly owners or managers of surrounding stations.

The town quickly grew in importance for it lies at the centre of the great artesian basin which extends all through Central Queensland, Central New South Wales and into parts of Victoria.

In the early days, the nature of the black soil which covers the area made communication almost impossible after rain, and supplies sent by bullock team from Maitland took from three to six months for the journey. The coming of the railway, in July, 1896, transformed the conditions of life for the plains dwellers, and the town, 413 miles from Sydney, soon drew to itself a growing stream of visitors eager to test for themselves the famed curative properties of its artesian bore.

(cf. *"Moree Artesian Bore Baths"*—R. E. Cummins; *"Australian Country Life,"* 1/12/1908; *"The Northern Daily Leader,"* 14/10/36; (Mitchell Library).)

importers of grain in nearly 5s. per bushel, and that recent sales at 4s. to 4s. 3d. have been at a loss. So that if a small duty should be imposed on foreign, the colonial growers might resume their labours . . . much difference of opinion prevails as to the effect of the proposed reduction in the duty of the spirits, should it take place. Whether the Colonial Distillers work or not (they say they cannot without some protecting duty, as Rum can be imported at half their cost of manufacture), it is thought that some duty paid on spirits sold by the fair dealer will find their way into the interior, whereas at present the Sydney trade know nothing about the rural consumption, it being almost exclusively supplied even to very distant stations by importing, or private still-working smugglers."

Perhaps the most interesting article on the general position and prospects of the Colony, appears in the *New South Wales Magazine*, July, 1843, being a commentary upon a statistical table and article published some months before in the *Sydney Herald*, and prior to "beef salting being seriously taken up, or sheep boiling thought of at all." It is rather typical of the contemporary perennial optimism, ready at all times to light up whenever some excuse offered, for whilst the colonists might bewail their misfortunes, castigate themselves, and throw invectives at their own and the Home Government, it is impossible not to feel behind all that is written, a conviction generally held that the natural resources of the country were so great that, given any opportunity at all, nothing could hold back its prosperity. This table may be compared with the extraordinary attempt by an auctioneer (Mr. Stubbs) to set a value upon the whole colony. (See Appendix.):

"The following table shows—first, the declared value upon articles notoriously undervalued for duty; the market value of goods imported, the amount which might be produced and the capital required:—

Article.	Imported.	Amount which might be Produced.	Capital Required.
Corn, etc.—	£	£	£
Declared value ... ..	137,000	.....	.....
Real value ... ..	200,000	200,000	420,000
Butter and cheese, £35,000.			
Salt provisions, £75,000.			
Foreign only under-valued ... ..	120,000	80,000	70,000
Leather, not apparel ... ..	51,000	30,000	7,000
Leather, apparel ... ..	74,000	15,000	4,000
Wines—valued at £80,000 ... ..	105,000	35,000	35,000
Brandy, silk and sugar ... ..	No data	Large	.....
Tobacco ... ..	49,000	25,000	25,000
Soap and candles ... ..	31,000	25,000	5,000
Refined sugar, £50,000.			
Less increase in raw material imported—£25,000 ... ..	25,000	25,000	25,000
Other, £50,000 for export.			
Less £25,000 raw material ... ..	.....	25,000	25,000
Woollen apparel and slops £274,000			
Blankets, etc. ... .. 26,000			
	300,000	80,000	20,000
Paper ... ..	25,000	25,000	5,000
Preserved fruits ... ..	16,000	8,000	2,000
	£996,000	£573,000	£743,000

*Corn:* To begin with the most important article of corn, the quantity imported, taking the *market value* of wheat at 6s. per bushel, is about 660,000 bushels (or other equivalent grain). This at 22 bushels per acre, would require 30,000 more acres to be taken into cultivation; which, taking the cost at £1, the clearing and fencing at £7 (land requiring greater expense would not be purchased), and cropping at £4, in all £12 per acre before harvest, would amount to £360,000, to which add horses and implements £60,000; total £420,000; and allowing one farmer and four labourers (3 and 1 boy would suffice) to each 100 acres, would employ 300 of the farmer and 1,200 of the latter class, and support their families in comfort. . . .

"It will be seen by this table that however desirable it may be to keep amongst ourselves £200,000 of hard cash sent to foreigners who take nothing from us, to pay for corn, and however just and unanswerable is the claim of our own grower to be placed upon an equality with the foreigner, that the corn duty question is not at present of the magnitude supposed. To exclude foreign grain requires only the cultivation of 30,000 more acres and the employment of 300 more farmers, and 1,200 more labourers. Its real importance arises from the fact that 20s. per acre might be given for corn land if it were not for the unfair preference given to the foreigner. To dispose briefly of this question, the principle upon which a moderate duty, say of one shilling a bushel, is asked for, is simply this: That no producer is entitled to protection by duty against the greater natural advantage of countries more favoured by Providence, but that as payer of taxes or duties, and as contributor for public purposes, he is entitled to protection equivalent to such payment and contribution. . . .

*Wheat from Chile.* . . . We cannot impose any higher duty than 15 per cent., but we can impose that duty, and take measures to insure a fair valuation; a cargo of wheat of value for duty at 2s. was, as we can prove, sold for 8s. per bushel. . . . The Collector has stated to the council in evidence that 2s. 6d. to 3s. is a common valuation of imported wheat. Now the prices of best flour is advertised weekly and averages as nearly as possible, three times that of a bushel of good wheat. . . .

*Woollens:* Here we are less sanguine than on other branches of industry. True, we export wool, the value for last year, we hope, of £600,000, and we import £300,000 worth of woollen manufactures. But our rulers have determined that wool shall not be grown cheaply in the Colony, and the English manufacturer has British-Indian, Cape, Russian and other wools for his blankets and all coarse fabrics at 6d. to 7½d. per lb., and infant and cheap labour. . . . We have no raw material under 14d. and high priced adult labour. Nevertheless, the amount of production stated may be now realised and hereafter much exceeded.

*Beef Salting:* When we bear in mind that Beef salting has succeeded to an extent that will assuredly exclude all imports of that article, and that first the keeping, and afterwards the salting, of all the pigs required for pork, is a necessary adjunct to sheep boiling, we see that we may not only save all, instead of only two-thirds of the £120,000 paid for imported salt meats (latterly chiefly German), but export these articles to a considerable extent.

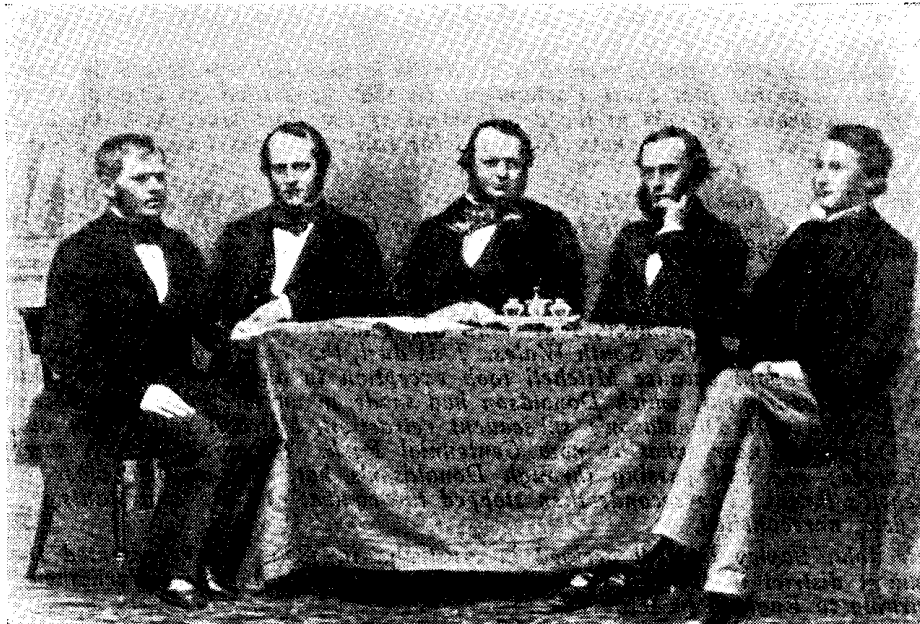
*Leather*: It is already evident that the saving in leather assumed, in all stated to be £45,000, will much exceed that sum.

*Soap*: Sheep boiling will also give us a large export of soap to the other Australasian colonies, in addition to the domestic saving assumed. So that leaving brandy and silk for some other day, there is strong reason for believing that in exports excluded (and that not by protective duties but by cheaper domestic production) and exports created, we may improve our yearly balance not £573,000, as assumed in the table, but about £700,000 sterling.

*Sheep boiling*: With sheep boiling we are only concerned as political economists, in which capacity it becomes our duty—first, to caution our readers against being drawn into that joyous and unthinking exultation into which parties which one month, one little month, ago were yielding themselves unresistingly to destruction in the slough of Despond, are now indulging, as if all difficulties were overcome. . . . This great discovery of sheep boiling is no discovery at all, although our circumstances have not before required its adoption here. The London Trade Report of 11th February, 1843, states that North American tallow had sold at 34s. 3d. to 45s. 6d. per cwt. Odessa (Southern Russia) bought in; so that the supply is fully equal to the demand. East Indian 35s. 9d. to 46s. per cwt. Russian Yellow candle (from beef) 43s. 6d. to 44s. 6d. per cwt. So that whatever country does, or can compete with us in wool or salted meats, does or will compete with us in the European markets in mutton or beef tallow also. How we shall come off in the general melee of European competition will soon be ascertained, for 50 tons of excellent tallow are, whilst we write, about quitting our harbour for England—may success attend the new export. . . . If Mr. Henry O'Brien's fat wethers, weighing only 52 lb., furnish 25 to 30 lb. fat—Mr. O'Brien's stock is very good indeed—this affords no means of judging of the 37 to 40 lb. animals, which will form the majority of sheep boiled down. . . . It is sufficient for the Colony that a minimum price of sheep has been established, at which all surplus stock can be converted into an available asset; that the minimum price will give an average price fully remunerative to the occupier of licensed runs, or of his own land not encumbered with interest; that diseases will disappear altogether from our flocks by the introduction of the knife and the cauldron . . . for scab or foot-rot, and that in one year after the general adoption of these infallible remedies, that is after one season of wet, there will not be an infected run in the country. The minimum we will assume to be 5s. per head, jacket included, and this will make a good wether worth about 8s. and a two-year-old ewe worth 10s. In like manner a very middling bullock reduced to yellow candle tallow would, with hide, horn and hoof, be worth £3 10s. od.

“ . . . Here we beg to call attention to the astounding infliction of the prohibitory price of land in our circumstances—a measure, we would hope, adopted by the Tories in ignorance, but generally understood to have been conceded by the Whigs, to their land-jogging adherents Lord Petre, Gibbon Wakefield, and other land sharks, that their schemes of aggrandisement in New Zealand or South Australia, the former especially, might not be interfered

with, by permitting any inducement to remain to emigrants to select New South Wales for their destination. But the infliction is of deeper injury than its authors foresaw, or intended, now that every sheep and head of cattle has a value, every acre of land has a value also; and now might 20 millions of acres of wilderness be converted into freehold and occupied estates—creeks would be dammed—future losses by droughts avoided—marshes drained and ploughed, and the whole surface, notwithstanding the separation of a part for agriculture, or perhaps rather by reason of so doing, would be rendered capable of carrying more than double its present stock; our Thousand Hills would be covered with sheep and cattle; and the squatter, divested of his gypsy character, would become a country gentleman after the manner of his fathers. We should have thriving proprietors in comfortable homesteads, surrounded by cottages inhabited by British peasantry, in many a valley and glen now known only to the wandering aboriginal or solitary shepherd, armed to the teeth in what ought to be a perfectly peaceful occupation. . . . But it may be asked, is not this grand scheme wholly beyond our means? It is wholly beyond our power so long as the absurd tyrannical Act of Parliament shall continue in force . . . . but let this obstacle be removed and the rest would follow without effort. . . .”



FIRST MINISTRY UNDER RESPONSIBLE GOVERNMENT, 1856.

- From left* (1) *Thomas Holt—Colonial Treasurer.*  
 (2) *Sir Wm. Manning—Attorney-General.*  
 (3) *Sir Stuart A. Donaldson—Premier and Chief Secretary.*  
 (4) *John Bayley Darvall—Solicitor-General.*  
 (5) *George R. Nicholls—Auditor-General.*

*At the outset (1788), the new colony in New South Wales was administered as a Crown Colony of the Military type. The King's Vice-Regent was absolute in the three departments of government—he was in effect, the Legislature, the Cabinet and the High Court, combined.*

In 1823, a Legislative Council was created for the first time; members were nominated by the Governor, who presided over the Council while retaining the right to issue decrees overriding its decisions.

In 1842, a Council partially representative of the inhabitants was allowed to the colony; of 36 members, 24 were to be chosen by an enfranchised section of the people. This meant that Representative, but not Responsible government had been established, since the councillors had as yet no control over the administrative officers.

Earl Grey, Minister of State for the Colonies in 1847, proposed to set up a new constitution without having previously consulted the wishes of the colonists. This was too much for the growing number of independent spirits like William Charles Wentworth and Stuart Donaldson; numerous protest meetings were held, and the "Sydney Herald" thundered "Britons in New South Wales, as well as Britons in the United Kingdom, never shall be slaves."

Nevertheless, an Imperial Act for the better government of the Australian Colonies was passed in 1850, which among other things constituted Port Phillip a separate colony, while extending the franchise and the powers of the Legislature within the parent colony, but little satisfaction was felt in New South Wales.

A new and more sympathetic Minister for the Colonies, Sir John Pakington, in 1852 gave new hope to the colonists when he admitted the urgent necessity of "placing full powers of self-government in the hands of a people thus advanced in wealth and prosperity." With this *carte blanche*, the struggle between an ambitious and virile young Colony and the Mother Country virtually terminated, and the former became free, within few limitations, to shape her own destinies. The scene of conflict now became transferred to the attempts of the Council to produce a satisfactory Constitution. Three years elapsed before a compromise satisfactory to all parties was hammered out and the new constitution giving Responsible Government to the colonists came into force in 1856.

A few biographical details of the members of the first Cabinet may be of interest.

Thomas Holt (1811-1888), arrived in Australia in 1842 and represented Brisbane and Ipswich in the first State Parliament. In 1866 he settled on Cook's River and took a prominent part in the development of the Port Hacking-Sutherland area. He is said besides to have possessed the rather dubious honour of having introduced the first rabbits of the common grey variety into Australia.

Sir William Manning (1811-1895), arrived in Australia in 1837, was elevated to a Supreme Court Judgeship in 1876, and was Chancellor of the University of Sydney from 1878 to 1895.

Sir Stuart Donaldson (1812-1867), took a prominent part in activities which led to the establishment of Responsible Government, but another claim to fame lies in his duel, in September, 1851, with Sir Thomas Mitchell who was then Surveyor-General of New South Wales. This duel, the last fought in Australia, was brought about because Mitchell took exception to an erroneous statement about his Department, which Donaldson had made in an electioneering speech. Not satisfied with Donaldson's subsequent retraction, Mitchell called him out, and they met near what is now Centennial Park. Three shots each were exchanged; one ball passing through Donaldson's hat, and another close to Mitchell's throat. The seconds then stopped the combat and the contestants left the field, unreconciled.

Sir John Bayley Darvall arrived in Australia in 1839. He represented the Bathurst district in the old Council and Cumberland in the new Parliament, returning to England in 1867.

George R. Nichols (1809-1857), was born in Sydney, New South Wales, on 27th September, 1809, his father, Isaac Nichols, being the first postmaster of the Colony. He was educated in England, but returned in 1832, having qualified as a solicitor. In 1848 he was elected to the old Legislative Council for the Northumberland boroughs and continued to represent this area upon the advent of responsible government. When it was determined to divide the Bar, Nichols was given the privilege of practising both branches of the legal profession, being the only one so allowed. He died on September 12, 1857.

(cf. "A Struggle for a Constitution—N.S.W. 1848-1853"—K. R. Cramp in R.A.H.S. (1913); "Port Hacking, Cronulla and Sutherland Shire"—F. Cridland in R.A.H.S. (1933); "Australian Club Centenary" (1938); *Newspaper Cuttings Vol. 116* (Mitchell Library).

**RECOVERY (1844-1851) (25a).**

The recuperative powers of the Colony, generally, were greatly assisted by a credit innovation in which W. C. Wentworth was the prime mover. Wentworth had seen that many of the difficulties of the genuine settlers who had entered into debt in order to buy stock and equipage in reasonably well-balanced investments had been due to the application of principles of law not adapted to the conditions of the Colony. He saw that immediate relief would be given to such investors if they were able to mortgage their movables, and he accordingly introduced a measure legalising preferable liens on wool and mortgages on live stock. This, however, was contrary to all English precedents and would have been disallowed if the condition of affairs in the Colony had not been so desperate, but the Act (Lien on Wool Act) was passed in September, 1843, and was immediately attended with direct beneficial results. The legal principle involved in thus allowing a mortgage on movables was quite foreign to English law at the time, and Lord Stanley found cause to write, in October, 1844, that the Act which had been carried by the Representative Council was a "measure so irreconcilably opposed to the principles of legislation immemorially recognised in this country regarding the alienation or pledging of things movable, that under any circumstances than those in which the Colony has been unhappily involved, it would not have been in my power to decline the unwelcome duty of advising Her Majesty to disallow it." He regarded it as a law "which will place society at the mercy of any dishonest borrower, and which will stimulate the speculative spirit which it is so important to discourage." He stated further that if the Act was not repealed in the Colony it would be disallowed by the Queen. Stanley's opinions as to the injurious effects of the Act, however, were not borne out in the event, and "the Colonial Legislature (finally) was able to overcome the scruples of English lawyers and to maintain the statute, which remains in beneficial operation." Here, as in many other instances, Australian law making has often been highly original and particularly appropriate to the Australian political and economic situations, in this particular instance establishing a credit pattern on which for the next hundred years continued pastoral enterprise has been built <sup>(20)</sup>.

The crisis and depression of the years 1840-43, concerning which little more than a brief and casual mention has been possible, effectually put a stop to the investment of British capital in Australia, and it was several years before New South Wales again attracted interest as a profitable field for speculation. The revelations of the Bankruptcy Court in 1843 were alleged to have made the investment class chary of placing their money where it was so likely to be wasted, but an equally probable explanation, states Coghlan <sup>(20A)</sup>, may be found in the fact that the mania for speculation in British railways which began at this time, offered a market nearer at home for adventurous capital. In spite of this lack of British interest in Australian affairs, or perhaps because of it, local trade and conditions generally were reasonably quickly restored to equilibrium. For the first time there arose a real disposition on the part of the citizens to cultivate the local market. The original settlers had looked upon Australia as a place to be exploited. There was no determination on their part to make the country their home, but with the coming of the waves of immigrants, development was more thought of than exploitation. There was consequently much talk about the

colonists supplying themselves with as many articles as possible instead of relying upon imports, for the continuing adverse trade balances made the Colony's predicament obvious to all interested in its welfare. In most directions, of course, this was little more than "talk"—the Colony being singularly well equipped, as previously noted, to debate its internal affairs—the local market remaining in any case altogether too small to consume the output of well equipped factories.

Nevertheless, we may note that in the years from 1843-1851 there was a decided increase in production and some improvement in quality both in the brewing, tanning and certain other industries. Sugar-refining of imported but not locally produced raw sugar which had been commenced in 1841, had become a well established industry in 1850, and the Colony provided almost entirely for its own consumption. Soap-making, an old-established industry, also commanded the local market, 33,065 cwt. of soap being made in New South Wales in 1850 as against 215 cwt. imported. The woollen cloth manufacture, in which Simeon Lord had been interested some years before, remained stationary, its coarse product being unable to compete with the imported goods. Some hopes were being entertained of a trade with China in this article so as to lessen the very heavy cash payments for tea, but these expectations were not realised.

The work of salting and preserving meat, which like the tallow industry, was subsidiary to the wool trade, was begun in 1843, by a Mr. Sizar Elliott. It was not a success financially, though the preserved meats were of reasonably good quality. There were two meat-preserving works in 1847. These were increased in the following year to five, and in 1850 there were fifteen, of which nine were in the Sydney district and six in Port Phillip (<sup>27</sup>). The year 1843 had also seen the establishment of what, at the time and for some years following, was to be a very important industry in the Colony. In June of the critical year of 1843, when the price of sheep had been sinking so rapidly as to be practically worthless, Henry O'Brien of Yass had recalled the Russian method of boiling down surplus stock for tallow alone. He found that the tallow obtained from a single sheep was worth about 5s. or 6s. and that, as there was always a good market for this produce in England, the minimum value of a sheep was thus fixed. Many commentators on these times speak of tallow as having saved the country but this would appear an exaggeration, the value of the discovery resting more in its effect upon men's minds than in the actual use to which it was put. O'Brien's proposition was held to prove that the price of sheep and cattle could never go below a certain minimum and that, therefore, there was some intrinsic cash value in surplus stock, if for their tallow alone. Before the end of 1843, New South Wales boasted 56 boiling down establishments. Nearly 200,000 sheep were treated in 1844. In the following year, more than 750,000 went to the vats, and by 1850, over two and a half million a year were handled, with 260,000 cattle in addition. During the crisis ingenious tallow men designed and built huge boilers to hold three hundred sheep at once. Nevertheless, the facts are that, notwithstanding these large slaughterings, the flocks of the Colony increased in numbers, yearly outgoings of wool rising from 25 million lb., in 1844 to 26 million lb. in 1846, 35 million lb. in 1848 and 41 million lb. in 1850. But it has been previously noted that the major reason for these increasing exports was due to the unprecedented development of Victoria in these years. It



may be observed in considering the acute marketing problem of these times that even so late as 1939 and the period immediately prior to the outbreak of World War II, the job of satisfactorily placing on export markets all the meat and meat industry by-products available from the annual output of Australia's pastoral enterprises continued to constitute a very real problem, and the industry over the intervening years has experienced many periods of stagnation not greatly dissimilar in nature to the problem thus so early encountered, which have hampered forward development.

There was a very great falling off in the deep-sea shipping entering Australian ports after 1841. In that year 251 British ships were entered inwards, but from 1843 to 1847 the numbers declined to between eighty and ninety, and did not rise again until the gold discoveries. This fall was due largely to the virtual elimination of ship transports carrying convicts. By way of compensation there was, on the other hand, a great development of local shipping, as by then many settlements had been established on the coast from Moreton Bay to Adelaide. Sydney became the centre of a very active coastal trade, and there is almost daily mention in the newspapers of small vessels going to or arriving from Wollongong, Port Macquarie, Morpeth, the Hawkesbury, Brisbane Water, the Hunter, the Macleay, the Paterson, Port Aitken, Kiama, the Clarence, Broulee (Moruya), Boyd Town, and Jervis Bay. Indeed, a contemporary writer remarked that as the sperm-whale fisheries declined, the vessels owned by the colonists were engaged almost entirely in this coastal trade. By this means were carried grain, meat, tallow, hides, butter and cheese, tobacco, timber, coal, lime, and in fact, all sorts of colonial produce. The cedar-producing districts shipped their timber by way of Port Macquarie, Wollongong, the Macleay, the Manning, and the Richmond. Shells for the manufacture of lime came from Port Aitken, Pittwater and Shoalhaven. From time to time small vessels were sent to collect trepang on the Northern Coasts, which was exported to China. The industry flattered its promoters with the promise of success, but becoming less remunerative it was allowed to die out or pass into the hands of the Malays.

In addition to wool, the principal exports from Australia were tallow, oil, skins, bark, salt-beef and copper. The value of tallow exported in 1850 was £311,900, of which £167,858 was sent from Sydney and £132,863 from Melbourne, and this represented the production from approximately 1¾ million sheep boiled down for their fat. In 1846 South Australia was already a copper-producing country, to be considered in the world's supplies, and some lead and silver were also being obtained.

The whaling industry, to observe a backward trend, declined very greatly after 1840, in which year 1854 tons of sperm oil and 4,297 tons of black oil, with a considerable quantity of whale-bone and seal skins, valued in all at £224,144, were exported. This was the year of the largest trade. The Australian whalers suffered from a shortage of skilled labour, and still more from the energy of the American whalers, who just prior to the period of the gold discoveries ousted Australian whale fishermen from the fishing-grounds and obtained what little there was to catch. The industry had been originally pursued not only in the Eastern colonies, but also in Western Australia, where whaling appears to have been continued for some years after it had been virtually abandoned in the eastern waters. The practice of Australian whalers of killing

the calves in order to secure the capture of the mothers, was the chief cause of the ruin of the fishery. In 1843 the whale was remarked as becoming somewhat shy and scarce, and by the year 1847 the industry was declining in Southern waters generally. The extent of the decline and the degree to which this trade was passing into the hands of strangers may be gathered from the fact that in 1848 only twenty-six colonial vessels engaged in whale fishing, with a total tonnage of 6,103, entered Port Jackson, besides one British whaler of 267 tons and thirty-seven foreign vessels, totalling 11,203 tons. A few years afterwards even this small fleet of Australian vessels disappeared from the trade, which was prosecuted almost exclusively by Americans. There was considerable jealousy on the part of the colonists towards American whalers, especially during the period when the industry was most profitable. When it was on the wane, however, inducements were offered to them to go to Australian ports, and in 1845 whalers were exempted from port charges at Port Jackson, if they came for the purpose of refitting. But the industry was by then crippled and no concessions of the kind offered could revive it. In 1850 the export trade in sperm oil had dwindled to a value of £64,499, and ten years later the item had finally disappeared from the list of articles exported. Nevertheless, the whale fishing industry in the years before had done much to establish the developing Australian economy, Coghlan estimating that up to the year 1850 the total value of oil and other whale products exported from Australia had amounted to £4,200,000, of which £3,000,000 had been shipped from Sydney and £1,200,000 from Van Diemen's Land (\*). We may now note with interest the efforts that are being made by the Australian Government in 1949 to re-establish an Antarctic whale fishing industry.

The manufacturing industries were naturally in a very backward condition in the years prior to 1851. Manufacturing for export was out of the question, handicapped as the infant settlements were by distance from the centres of civilisation, and the industries that existed were naturally chiefly of a domestic character. In 1838 there were in New South Wales, seventy-seven grain mills, two distilleries, seven breweries, five soap-works, twelve tanneries, five brass and iron foundries, seven woollen factories, one salt, one hat and one tobacco works, as well as a few other manufactories. The number of persons employed was very small, and, in general, the manufactures were inferior in quality as well as small in quantity. Thus the beer and spirits made locally were much inferior in quality to those imported. The tanneries were not very successful, the best leather goods being imported in a manufactured state. The foundries were not able to turn out even good agricultural implements. It was almost impossible to procure a good plough of local make and even the simpler tools were crudely wrought. At the woollen factories the coarse wool unfit for export was worked by persons of little skill and a small quantity of coarse tweeds and blankets only were made. Tobacco growing, for which such hopes had hitherto been held, had declined also by this time, and the limited quantity manufactured in the colony was decidedly inferior to the imported tobacco. Such factories as existed were to be found in Sydney. Only twelve, and these very small, were carried on outside the boundaries of the capital.

It is in developments in South Australia in this period that so much interest attaches. In 1843, in spite of the wasted early years, the colony was supplying itself with grain, and a surplus was available for export, Governor Grey in South Australia announcing in 1845 that his farmers

could make wheat growing remunerative at a price of 2s. 6d. a bushel, and were able to compete on the English market whilst facing a duty of 1s. a bushel. The shortage of labour in this State had resulted in the invention of various ingenious labour-saving machines to which the method of farming lent itself, as the wheat fields of the plains were usually of great size. During the years just prior to the gold rush to the eastern states, the export of grain was overshadowed in total value by exports of copper and wool. Nevertheless, even by this stage, agriculture was affording more employment than these other industries and remaining the mainstay of the Province. We may further note that even though there were no large bodies of workers in South Australia, the Province was even so early becoming distinguished for its machine making. In 1850 six machine manufactories were at work, and a number of useful agricultural machines and implements had been perfected, amongst which was the forerunner of the "stripper," a machine that Ridley had invented and which was subsequently to practically revolutionise the wheat growing of the world and enable the industry to expand in New South Wales, in the years which were to follow.

Such was the industrial position as it had developed. In 1848, the industrial establishments, of which brief mention has here been made, numbered 479. Of these 272 were in New South Wales, 41 in the Port Phillip district, 99 in Van Diemen's Land and 67 in South Australia, the developments in this latter State being of the most significance.

Next to stock farming, agriculture, understandably, ranked of second importance to all the settlements. In New South Wales the area under cultivation increased slowly in these years of recovery. In 1839, 95,000 acres were then under crop, of which one-half was in wheat and one-quarter in maize. By 1850 the cultivated area had risen to the insignificant total of 153,000 acres, of which 82,110 acres were under wheat, although during some of the intermediate years the breadth of land cultivated had been much greater. Throughout all years farming had been scarcely a success. The Governors claimed that their inability to meet the local demand was largely due to the low price at which wheat could be landed in Sydney, and, as it has been seen, this was at all times largely true. Nevertheless, the fact remains that wheat-growing could possibly have been made to pay, for this had been clearly proved by the case of South Australia, which was able to export grain when in New South Wales farmers failed to supply their own market. The lack of success is clear from the fact that there was no increase in the number of persons engaged in agriculture in New South Wales between 1846 and 1851, in spite of the large immigration of agricultural labourers which had taken place.

Farming in New South Wales continued in an atmosphere of ignorance, helplessness and apathy, its singular characteristics from the very beginnings of settlement. No attempt was made to introduce labour-saving machinery, and amongst farmers generally there would appear to have been an almost total ignorance of scientific cropping practices and rotations, and of the use of artificial fertilisers. The land was cropped until it was exhausted and was then allowed to fall out of cultivation. Almost everything that was done was wasteful and inefficient. But in considering the real difficulties present it should not be overlooked that the development of agriculture was greatly affected by the absence of convenient means of transport and communications, arising from the

absence of navigable rivers and the presence of an imposing mountain barrier which extended from North to South, completely separating the inland districts from the coastal regions. Under these circumstances, it was natural that the chief agricultural developments for a long time remained confined to those districts within easy communication with Sydney, but largely unsuitable for cultivation. Particularly are these comments true of the practices of New South Wales wheat farmers, who with no original training for their occupation and habitually impecunious, struggled on in an attempt to eke out a miserable pittance from the soil. The great drought of 1838 and 1839 gave a great spur to wheat growing in Van Diemen's Land but with the return to good seasons on the mainland, the island colony found itself with a surplus of production which it could not dispose of, and this condition remained until 1850-51. Its prospects were encouraging only when occasionally it was able to export its surplus wheat to Sydney, the Mauritius and England, and strike satisfactory markets.

Throughout the years from 1831 to 1851, sheep farming remained far and away the most important industry in each of the States, showing an almost continuous increase in flock numbers and the value of wool exports in each year. In New South Wales and Port Phillip, especially, the industry dominated the whole industrial situation, particularly after the false prosperity induced by the commercial speculation of the early 1840's had passed away. The financial depression of 1843-45 was accentuated by the low price of wool, which dropped to 11½d. per lb. in 1844. The position was relieved in 1845 when wool rose to 1s. 2d. per lb., to be followed by a further rise to 1s. 3d. in 1846, which was enough to encourage the colonists to hope that the prices obtained before 1839 would again be reached. In this they were to be disappointed, for in 1849 wool again fell to 10½d. per lb., which was about the lowest price that had at any previous time been obtained. The position was again relieved in 1850 when 1s. per lb. was obtained, but the great increase in production made a return to the high levels of 1838 altogether impossible.

Just prior to the period of the gold discoveries, the position as reached in Australia was that wool represented two-thirds of the total value of the exports of the colonies, and tallow, which was merely a by-product of the sheep industry, about one-fourth of the value of the remaining exports. These facts explain the dominant position of the pastoralists and squatters, both in the economic and political senses, and account for the favourable terms granted them for the occupation of Crown lands. It was felt that upon their prosperity that of the whole colony depended.

In South Australia sheep farming was early developed, sheep being obtained by the first colonists from Van Diemen's Land and New South Wales, and although difficulties of survey prevented settlers getting established on their own lands, "squatting" met this difficulty. As early as 1839, the export of wool was valued at £8,740. In 1843 there were in the Province 331,000 sheep, and the wool exports of that year were valued at £45,568. The pastoral industry continued to progress, although not so rapidly as in the neighbouring colony of Port Phillip, yet satisfactorily to the settlers, and in 1851 there were estimated to be in the Province 1,500,000 sheep and 100,000 cattle, while the export of wool for that year amounted to 3,694,672 lb., valued at £148,036.

Finally, a brief note of the cattle industry may be taken. This by 1850 had become, like sheep raising, a well established industry for which the colony was particularly adaptable, the number of cattle being about 800,000 in 1840 and 1,900,000 ten years later, so quickly did natural increase occur. The local consumption of meat was so small compared to the available supply as to be insignificant, the industry depending almost wholly upon a variable export trade in meat products, hides, tallow, bones and the like. The dairying industry had commenced to attain some importance in New South Wales as early as 1843, and was rapidly developed in subsequent years. Imports of butter and cheese, mainly butter, which was 248,170 lb. in 1843, declined to 60,000 lb. in the following year and to 20,000 lb. in 1845—thereafter the colony managed to remain independent of external supplies and even to build up a small export trade.

This review of the uneventful and unspectacular events in New South Wales of the years from 1842-1851, with its pre-occupations of "sheep boiling," the possibilities of the "dairy" and the many difficulties of "rotations," ushers in a completely new phase in Australian history. This phase commenced when early in 1851, Lawrence Hargreaves, an enterprising colonist who had seen the gold-diggers at work in California, struck gold at Bathurst. By the middle of May, 1851, about four hundred persons were already at work on the diggings and gold began to arrive in Sydney. Who then could worry about the "golden fleece" when the pure metal itself could be so easily plucked from the ground, in great handfuls at a time? So commenced a transformation of the Australian economy which, to repeat Wentworth's expressive phrase, overnight "precipitated Australia into a nation."

In the years which were to follow came a transformation in the handling of grazing properties and the abandonment of the old ideas of shepherding, watching, hurdling and the rest. The squatters' claims received some acceptance and it was agreed that, partly in equity and partly in law, they were permanently settled on their holdings. With this recognition, and with the experience that sheep could survive without shepherds, came fences—somewhat crude affairs at first, until in 1870 fences became universal. Sheep improved both in carcase and wool qualities, and foot-rot and similar diseases of concentration became less severe. Moreover, when in the 1850's meat prices soared on the goldfields, and there occurred a phenomenally sudden rise of wool values in Europe, the economic position of the grazier was established.

Small men in the later forties demanded holdings on the Clarence, the Moruya, and the McLeay districts, and in due course the occupation of tiny farms was allowed. The "cockatoo farmer"—the "cockie"—had now entered the Australian scene. The old spades, hoes and flails were discarded and slowly a complete transformation of farming methods followed, assisted greatly by the new machinery that had been ingeniously devised in South Australia to meet the special needs of Australian conditions.

In terms of agricultural interest, the most significant development of the period which immediately follows the gold rushes has to do with land policies and land legislation and the gradual expansion of farming on properties or runs where before sheep only could be grazed. This also is a fascinating story.

**References.**

- (<sup>1</sup>) H.R.A. XVI, pp. 341-344.
- (<sup>2</sup>) Roberts—The Squatting Age in Australia 1835-1847, cf. Chapters I. V and VII particularly.
- (<sup>3</sup>) H.R.A. I XXI, pp. 122-134. See also same acceptance of position in Goderich to Darling, 9th January, 1831—H.R.A. I XVI, pp. 19 et seq
- (<sup>4</sup>) Gipps to Russell, H.R.A. I XXI, p. 554.
- (<sup>5</sup>) Sir T. A. Coghlan—Labour and Industry in Australia. Vol. I, pp. 274-289.
- (<sup>6</sup>) Ibid, p. 281.
- (<sup>7</sup>) Ibid, p. 282.
- (<sup>8</sup>) New South Wales Magazine—October, 1843, p. 560.
- (<sup>9</sup>) Ibid.
- (<sup>10</sup>) Cit. Roberts supra., pp. 428-9.
- (<sup>11</sup>) H.R.A. I XX, pp. 107-109.
- (<sup>12</sup>) Ibid, p. 712.
- (<sup>13</sup>) Ibid, pp. 799-801.
- (<sup>14</sup>) Ibid, p. 392.
- (<sup>15</sup>) Ibid, p. 490.
- (<sup>16</sup>) H.R.A. I XXI, pp. 90-91.
- (<sup>17</sup>) Ibid, p. 407.
- (<sup>18</sup>) Coghlan, op. cit., pp. 274-289.
- (<sup>19</sup>) Ibid, p. 504.
- (<sup>20</sup>) Ibid, p. 503.
- (<sup>21</sup>) Roberts, op. cit., pp. 226-227.
- (<sup>22</sup>) R. Therry, Reminiscences (1863 Suppressed Edition), pp. 226-7. Cit. Roberts, op. cit., p. 227.
- (<sup>23</sup>) Gipps—Stanley, May 6, 1843, cit. Roberts, p. 235.
- (<sup>24</sup>) Roberts, op. cit., p. 233.
- (<sup>25</sup>) Gipps—Stanley, 17 January, 1844, cit. Roberts, op. cit., p. 257.
- (<sup>25A</sup>) The bulk of the statistical data used in this sketch is taken from Coghlan, op cit. Vol I, pp. 503-515.
- (<sup>26</sup>) Ibid, p. 495.
- (<sup>26A</sup>) Ibid, p. 501.
- (<sup>27</sup>) Ibid, p. 512.
- (<sup>28</sup>) Ibid, p. 494 and cf. Roberts op. cit., pp. 246-258 and 428-438.
- (<sup>29</sup>) Coghlan, op. cit., p. 510.